FIFTH ANNUAL REPORT OF THE FARM CREDIT ADMINISTRATION 1937

LETTER

FROM

THE GOVERNOR OF THE FARM CREDIT ADMINISTRATION

TRANSMITTING

REPORT OF THE ADMINISTRATION COVERING OPERATIONS FOR THE YEAR 1937

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FARM CREDIT ADMINISTRATION

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LETTER OF TRANSMITTAL

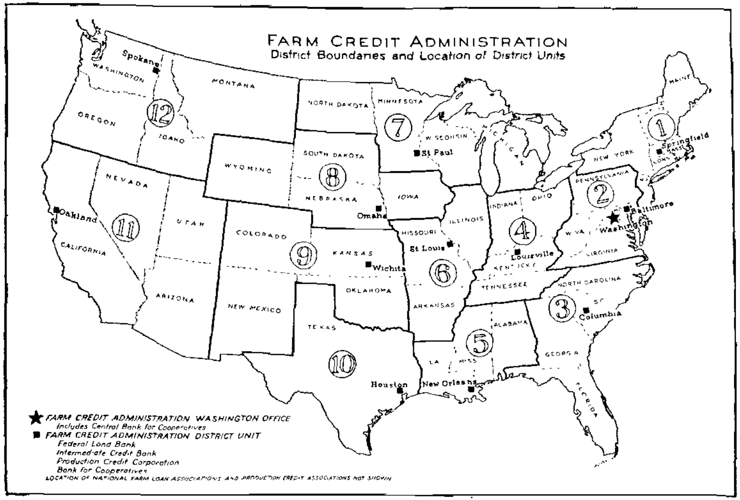
FARM CREDIT ADMINISTRATION,
Washington, March 19, 1938.

SIR: In accordance with the provisions of paragraph (3) of section 4 of the Agricultural Marketing Act, as amended, section 3 of the Federal Farm Loan Act, as amended, and the Executive order of March 27, 1933, creating the Farm Credit Administration, I have the honor to submit herewith my fifth annual report, covering operations for the year 1937.

Respectfully,

W. I. MYERS, *Governor.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.


FARM CREDIT ADMINISTRATION
District Boundaries and Location of District Units
★ FARM CREDIT ADMINISTRATION WASHINGTON OFFICE
Includes Central Bank for Cooperatives
■ FARM CREDIT ADMINISTRATION DISTRICT UNIT
Federal Land Bank
Intermediate Credit Bank
Production Credit Corporation
Bank for Cooperatives
LOCATION OF NATIONAL FARM LOAN ASSOCIATIONS AND PRODUCTION CREDIT ASSOCIATIONS NOT SHOWN
Springfield
Baltimore
Washington
Columbia
Louisville
New Orleans
St Louis
St Paul
Omaha
Wichita
Houston
Oakland
Spokane
WASHINGTON
OREGON
CALIFORNIA
NEVADA
IDAHO
MONTANA
WYOMING
UTAH
ARIZONA
COLORADO
NEW MEXICO
NORTH DAKOTA
SOUTH DAKOTA
NEBRASKA
KANSAS
OKLAHOMA
TEXAS
MINNESOTA
IOWA
MISSOURI
ARKANSAS
LA
WISCONSIN
ILLINOIS
INDIANA
OHIO
KENTUCKY
TENNESSEE
MISS
ALABAMA
GEORGIA
FLORIDA
SC
NORTH CAROLINA
VIRGINIA
W VA
PENNSYLVANIA
NEW YORK
MAINE
1
2
3
4
5
6
7
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11
12

FIGURE 1.

SUMMARY

THE year 1937 marked the twentieth anniversary of the establishment of the 12 Federal land banks, first of the units comprising the cooperative system of agricultural financing now embraced by the Farm Credit Administration. Through the broadening of the original concept of cooperative farm credit to embrace short-term production loans for range and farm and advances of various sorts for farmers' cooperative marketing and purchasing associations and cooperative farm service organizations, almost a million farmers are—directly or through their cooperatives—participating stockholders in a Nation-wide farm credit cooperative.

Over a quarter of all mortgaged farms in the United States carry their debt with the Federal land banks. On December 31, 1937, the total of such outstanding loans was $2,035,307,000, and Land Bank Commissioner loans, $812,749,000. More than a quarter-million borrowers from 550 production credit associations have obtained short-term loans totaling about $818,217,000 in the 4 years of their operation. Approximately 2,000 purchasing and marketing farmers' cooperatives and business service associations have borrowed $312,742,000 from 13 banks for cooperatives since they were established in 1933.

Either as individuals or through membership in the several permanent units of this farm credit cooperative organization, borrowers' holdings of stock amounted in round numbers to $131,000,000 at the end of the year 1937.

1937 LEGISLATION

Aside from the emergency refinancing of farm mortgages during the years 1933–35, nothing of greater significance has occurred in the history of the Farm Credit Administration's operations than the passage by Congress of the Farm Credit Act of 1937, which assures the permanency of the fundamental cooperative ideas underlying them. In the body of this report the various specific provisions of this act will be discussed in their appropriate places. Others of a more fundamental character deserve mention here, inasmuch as some of them give necessary sanction to measures looking toward decentralization of the Farm Credit Administration in favor of broader distribution of authority and responsibility among stockholders in national farm loan associations.

One provision of the 1937 legislation fixes for such associations the accepted principle of one-man-one-vote held by most farmers' cooperatives as the democratic ideal. Previously members of national farm loan associations had voted according to the number of shares held, with a maximum of 20 votes. The amended act gives all borrowers from Federal land banks through national farm loan associations an equal voice in the affairs of their association.

The act likewise gives greater responsibility to member-borrowers in the selection of directors. Since June 16, 1933, four of the seven directors in each district had been appointed by the Governor of the Farm Credit Administration and three elected by borrowers. Under the new law one director each is elected, respectively, by national farm loan associations, production credit associations, and borrowing cooperatives. The Governor retains appointive power over 3 other directors in each of the 12 Farm Credit districts. The seventh is chosen by him from the three nominees of national farm loan associations receiving the highest votes in an election held by all the associations in the district. Here again is a further step toward placing increased responsibility with the borrower.

The Farm Credit Act of 1937 approves the grouping of neighboring national farm loan associations under a common board of directors. A single board serves for each association voluntarily subscribing to this arrangement. The importance of this step will become apparent later in the text.

Among provisions of the act is one which provides for the annual payment by each Federal intermediate credit bank to the United States of a franchise tax of 25 percent of its net earnings remaining after provision for expenses, losses, and reserve requirements for the fiscal year. The tax paid by them to the United States for the fiscal year ended December 31, 1937, aggregated $741,275. From organization to December 31, 1931, the banks paid franchise taxes to the United States in the amount of $2,496,779; but under an amendatory act, effective January 1, 1932, no franchise tax became payable during the years 1932 to 1936, inclusive.

To provide a broader designation of the 12 Federal land bank districts and one which would embrace all four permanent units in those districts, the new legislation changed their name to "Farm Credit districts."

STRENGTHENING NATIONAL FARM LOAN ASSOCIATIONS

The original Federal land bank system established by the Federal Farm Loan Act in 1916 was adapted from the pattern of cooperative farm mortgage credit which had been observed in Europe by joint committees of Congress and agricultural leaders. When this Euro-

pean pattern was first put in operation in this country certain deficiencies, as it applied to American agriculture, became apparent.

American farmers were slow to grasp the idea of cooperation as applied to their credit problems, and even though by 1928 nearly all the capital stock of the 12 Federal land banks was owned by borrowers through national farm loan associations, a large part of them failed to realize the responsibility which ownership of the banks imposed. Too many farmers felt that membership in a national farm loan association was just a long way around in securing a farm mortgage loan on an amortized basis and at a rate of interest lower than average current rates.

The Federal Farm Loan Act stipulated that only 10 farmer-borrowers were needed to form the nucleus of a national farm loan association. Neighborhood pride—sometimes neighborhood jealousy—exploited this provision, with the result that too many associations were chartered irrespective of the necessity of borrowers, of operation, or the needs of trade areas. Overlapping of association boundaries followed, together with competition for loan applications, a division of territory competent to sustain one self-supporting cooperative association among several, of whom none could be large enough to withstand any considerable default in its loans.

In all Federal land bank districts the office of secretary-treasurer was generally a part-time job, compensation being derived from loan fees. This tended to put a premium on the acceptance of a large volume of loans without careful scrutiny of their risk or desirability. The work of collecting and servicing loans was done largely by the land bank of the district; this made it necessary for the banks to maintain a large force of collectors and field men, with the attending cost. Moreover, the almost complete divorcement of the members of a national farm loan association from its problems resulted in a lack of interest on their part in the operations of the system.

THE DECISION TO DECENTRALIZE

When the land banks entered their sixteenth year of operation they faced the staggering task of rescuing tens of thousands of farms from foreclosure. The depression had reached its lowest ebb. Applications for refinancing through land bank and Commissioner loans poured into the banks from nearly half the mortgaged farms in the country. In less than 4 years these institutions almost equaled the volume of loans made in the first 16 years of their operations.

Even during the time the Federal land banks were struggling with the mounting wave of applications, two primary questions forced themselves upon the minds of those that had faith in the cooperative farm credit idea:

> *Who will service the volume of loans amounting to more than two billion dollars.*

These problems admitted but two alternative decisions. The land banks could create a strong field organization to assume both the taking of applications and servicing and collection of loans, which would mean the elimination of the national farm loan associations; or the associations themselves could be made competent to reassume the position delegated them by the Federal Farm Loan Act, to return to the cooperative idea of a self-supporting, farmer-owned and farmer-controlled system.

The obvious first approach to the problem was to devise a plan whereby the associations could finance their own servicing and collecting. Exhaustive surveys established an average cost for servicing loans. If the banks could be relieved of this cost they could well afford to pay the association a fixed allowance which would provide an adequate salary for a full-time secretary-treasurer where this was necessary, office overhead expense, and in addition build up the association's reserves. To this end an allowance plan was worked out, which best met the needs of the different districts and was put into effect, in 1934, in associations where conditions were favorable. As the directors of the associations came to realize the significance of this step in returning responsibilities to their units the work spread rapidly. Allowances plans are now in effect in all but 1 of the 12 Farm Credit districts, with 86 percent or 3,886 active national farm loan associations functioning under this plan.

The second step in this program was to correct the error of too many associations, to eliminate all waste motion and overlapping boundaries between groups of stockholding borrowers. The initiation of the work in this direction must come from the associations themselves as they come to see the logic of bringing together two or more associations—theretofore competitive in a narrow field—under a single competent management. This brings increased efficiency of servicing and convenience to a member in contacting his association. At the end of 1937, 828 joint offices involving 3,064 associations had been established.

Joint management set-ups of national farm loan associations are in themselves preliminary to an optional improvement of association management through consolidation under a single board of directors. The process of consolidation involves two steps. First, there must be consent by two-thirds of those members attending a meeting called to make a decision on such a move. The action of the associations is subject to the approval of the Land Bank Commissioner. On December 31, 1937, approval had been given to 149 consolidations involving 411 national farm loan associations, and at that time 97 tentative approvals affecting 244 associations were pending.

FEDERAL LAND BANKS

The downward curve of applications for Federal land bank loans, which began in 1934 with diminishing requirements for refinancing under the stress of the depression, continued through 1937. Over that year 60,836 applications for farm mortgage loans were received by the 12 banks, compared with 402,829 applications in 1934, 162,968 the following year, and 84,030 in 1936. Total volume of Federal land bank loans closed in 1934 was $730,367,000; in 1937 the total was $63,092,000. Over the year just closed the volume of Federal land bank loans paid in full and principal payments on outstanding loans exceeded the dollar volume of loans closed.

In a word, the Federal land banks now are operating on a normal basis, with the only emergency financing—that concerned with distressed loans—largely in the drought areas. On the last day of the year the 12 banks had 635,776 loans outstanding for $2,035,307,000.

FARM PURCHASE LOANS

The proportion of applications for loans to purchase farms increased in 1937, notwithstanding the recession in many farm prices the latter half of the year. Of the whole volume of land bank and Commissioner loans closed up to the last day of December, the total to be utilized for the purchase of farm property was approximately $21,635,000, or 21.1 percent of the total. Of this amount an estimated $8,700,000 represented Commissioner loans.

COLLECTION PERCENTAGES RISE

Notwithstanding renewal of drought conditions over some already long-afflicted territories and a marked price drop in many staple farm commodities affecting wide areas, collections on Federal land bank loans continued to improve during 1937. The adverse conditions cited served to slow up to some extent anticipated improvement over the 1936 record of installment payments; but the last year's trend was still in continuation of the advance begun when the depression years began to wane. The percentage of loans upon which all matured installments were paid increased from 72.7 percent in 1935 to 77.5 percent in 1936, to 79.4 percent in 1937. Principal payments on land bank loans again increased during 1937. Total principal payments made amounted to $39,672,000; in 1936 the amount was $32,609,000; in 1935, $27,275,000.

CONDITIONAL PAYMENTS

The Farm Credit Act of 1937 established a provision for the making of "conditional payments" on land bank loans. Under terms of this enactment a borrower finding himself with a comfortable surplus at

harvest time, or other occasion, may make a conditional payment with the Federal land bank holding his mortgage out of which future maturing installments shall be drawn. The unused balance may draw interest until such time as it has all been applied to loan payments. So in a "good year" a borrower has opportunity to provide for future installments which—when they fell due—might be hard to meet because of crop failure or other hazard of the farming business. This new plan does not deny the established privilege of making advance payments; rather, it supplements it.

FINANCIAL STATEMENT

Under the provisions of previous legislation, from time to time the Secretary of the Treasury subscribed to the paid-in surplus of the Federal land banks to assist them in granting extensions and deferment of payments to worthy but distressed borrowers. The Farm Credit Act passed by the 1937 Congress provides that all unpaid balances of the funds provided for these subscriptions and all land bank repayments of such subscriptions shall be held in the United States Treasury in the form of a revolving fund. Through repayments to this fund by banks able to make them, additional subscriptions may be made to the paid-in surplus of other banks requiring the money to provide for their borrowers' needs.

During 1937 the banks called or retired, all told, individual farm loan bonds in the amount of $168,192,000, utilizing cash surplus and short-term loans from the Federal Farm Mortgage Corporation and commercial banks to effect the transaction. At present, bonds outstanding total $1,867,232,000.

Total outstanding capital stock of the 12 land banks on December 31, 1937, was $237,966,000. Of this amount, national farm loan associations held $110,411,000; direct borrowers from the banks and borrowers through agents owned $3,433,000; the United States Government was possessor of the remainder, $124,122,000. The associations of borrowers now hold 47.8 percent of the land banks' outstanding stock.

Paid-in surplus of the 12 banks was $160,426,000 the last day of 1937. Total amount of capital stock, paid-in surplus, and surplus reserves, including the legal reserves, equaled 24.7 percent of the par value of their farm loan bonds outstanding.

LAND BANK COMMISSIONER LOANS

The demand for Land Bank Commissioner loans to refinance farm debts continued to decline rapidly during 1937. A marked demand on the part of tenants and beginning farmers to become owner-operators, however, was evidenced by the fact—already cited—that

the proportion of applications for Commissioner loans for assistance in purchasing farms increased over 1936.

Over the calendar year just ended, 21,873 Commissioner loans amounting to $40,020,000 were closed by the 12 Federal land banks in their capacity as agents of the Land Bank Commissioner. A total of 8,228 loans amounting to $13,374,548 were made on first mortgages; the remainder were secured by second mortgages. The total amount of Commissioner loans closed was 48.2 percent under the 1936 figure.

The authority of the Land Bank Commissioner to make long-term farm mortgage loans was granted under the Emergency Farm Mortgage Act of 1933. This authority expires February 1, 1940. Commissioner loans are made from funds of the Federal Farm Mortgage Corporation.

FEDERAL FARM MORTGAGE CORPORATION

The Federal Farm Mortgage Corporation was established by an act of Congress approved January 31, 1934. The 200 million dollar fund previously allotted to the Land Bank Commissioner under the provisions of the Emergency Farm Mortgage Act became the entire capital stock of this wholly Government-owned corporation. It was empowered to issue and have outstanding at any one time bonds in an amount not exceeding 2 billion dollars, fully and unconditionally guaranteed by the Government both as to principal and interest. These funds were provided for a twofold purpose: First, to aid the Federal land banks (through purchase of their bonds or exchange of the Corporation's bonds for the banks' bonds) in their heavy task of refinancing farm mortgage loans; and, second, to make available to the Land Bank Commissioner an additional source of funds with which to finance farm loans on the basis authorized by the Emergency Farm Mortgage Act of 1933. While the authority of the Land Bank Commissioner to make loans was continued by law, all such loans when made become assets of the Federal Farm Mortgage Corporation.

The act establishing the Corporation was amended by the Farm Credit Act of 1937 to permit extensions on its loans when, in the judgment of the directors, conditions justify such action. Prior to the passage of this act Commissioner loans were made under the condition that "during the first 3 years the loan is in effect payment of interest only may be required if the borrower shall not be in default with respect to any other condition or covenant of his mortgage." This stipulation was amended by the Farm Credit Act of 1937 to give discretionary power to the Land Bank Commissioner to determine whether conditions justify a 3-year deferment of principal payments on mortgages made after the date of that act.

During its regular 1937 session, Congress for the first time established a temporary emergency interest rate for Commissioner loans comparable to the temporary interest reduction on land bank loans which

had been effective for 3 years past. By this legislation, interest on Commissioner loans was reduced from 5 to 4 percent per annum for interest payable on installment dates occurring during the 2-year period ending July 21, 1939. To compensate the Federal Farm Mortgage Corporation for the 1-percent loss of interest, Congress appropriated $5,000,000 from which the Corporation may claim reimbursement during the fiscal year 1938.

COLLECTIONS

During 1937 principal installments matured on Commissioner loans closed prior to 1935. There was collected $15,688,000 on such principal installments. This was 67.8 percent of the total due. Including special or extra payments of principal and loans paid in full, total 1937 receipts classified under the head of principal payments amounted to $46,503,000, which was $6,483,000 in excess of new loans closed.

Collection of interest on Commissioner loans during the year amounted to $33,497,000, or 70.7 percent of the total due, compared with 77 percent of the total collectible in 1936.

At the beginning of 1937 the Corporation had on hand 2,379 farms, either owned outright or subject to redemption. During the year the Corporation acquired 2,094 farms and 2,327 sheriffs' certificates—a total of 4,421 farms acquired outright or subject to redemption. One thousand four hundred and twenty whole and part farms were sold or redeemed during the year. Receipts from these sales represented 83 percent of the Corporation's investment in these farms.

FEDERAL INTERMEDIATE CREDIT BANKS

Enabled to continue into the fourth year their 2 percent per annum interest and discount rate in the continental United States during 1937, the 12 Federal intermediate credit banks advanced their 14 years' increasingly successful record as dependable banks of discount for short-term production credit. Though over part of the year the country's investment markets were subjected to unfavorable trends, the banks sold their debentures bearing interest at 1½ percent a year at an interest cost less than their face rate. This low rate was reflected—as it has been since May 1934—to the advantage of individual members of production credit associations and borrowers from livestock loan companies, agricultural credit corporations, and like financing institutions by maintaining their interest charge on loans at a maximum of 5 percent per annum throughout the year.

Total volume of debentures issued during the year amounted to $354,775,000; debentures outstanding on the last day of December aggregated $174,950,000. These debentures were of the consolidated type, for which all 12 banks are jointly and severally liable. Not

since September 15, 1936, when the last of them was retired, have the Federal intermediate credit banks issued individual bank debentures.

VOLUME OF BUSINESS

Loans and discounts of the banks during 1937 totaled $449,566,000 compared with $381,661,000 for the previous year. Loans to and discounts for farmers' and livestock men's financing institutions amounted to $407,281,000, which was 90.6 percent of the total volume of business. The banks for cooperatives' loans to agricultural cooperative associations, on the security of commodities, which were rediscounted with the intermediate credit banks accounted for $37,156,000, or 8.3 percent of the latter's business for the year. Loans made by the intermediate credit banks direct to agricultural cooperatives represented $5,129,000, which was 1.1 percent of the total volume.

After production credit associations were set up and began to function in 1933–34, each succeeding year has seen a greater proportion of the credit banks' annual volume of business represented by the loans and discounts for these cooperative associations of borrowers. Loans to and discounts for production credit associations during 1937 amounted to approximately $305,823,000; in 1936, the figure was $241,428,000 and the year prior to that, $210,670,000.

EARNINGS

The increase in earned surplus during 1937 was $3,075,409 after the payment of $741,274 as a franchise tax. This compares with $2,423,813 for 1936 when no franchise tax was payable. In addition, during 1937, there was transferred to reserve for contingencies from valuation reserves $1,100,000, making the net gain from all sources $4,175,409 after the payment of the franchise tax. Accounts of the 12 intermediate credit banks show that from the time of their organization in 1923 to the end of 1937 credit was extended in the total of $3,564,622,000; but in their 14 years of operation the net amount of loans and discounts charged off—including provision for estimated losses—was twenty-eight one-hundredths of 1 percent of the total business volume.

PRODUCTION CREDIT ASSOCIATIONS

Production credit associations, which at the end of the year numbered 550, including 6 in liquidation, increased their 1937 volume of business by 25.6 percent over the total reached the previous year. This maintained in unbroken succession since their establishment in 1933–34 a marked expansion of their loaning operations year by year. In the 12 months ending the last day of December, 245,799 loans were made, on which advances (including renewals) approximated $286,-

578,000. The year 1936 saw 234,651 loans made in the sum of $228,090,000. On December 31, 1937, approximately $138,169,000 of loans was outstanding, compared with $105,212,000 on the same day of the prior year. A new month-end peak in outstanding loans was established when on July 31 the volume amounted to $163,553,000. From the time of their organization in 1933 and early 1934 the associations had advanced $818,217,000.

OPERATIONS

In four of the Farm Credit districts not covered in 1936, intensive surveys of associations' operations were completed during the past year. Working with officers and directors of production credit associations, representatives from the several production credit corporations and from the Production Credit Division in Washington rounded out 2 years' effort to improve the service offered members and prospective borrowers. Not only has reduction in the length of time required to close a loan been achieved, but reduction in the expense of association management and increase in their efficiency have resulted. As a long step toward offering more convenient credit service, during 1937 local representatives of associations were appointed in outlying parts of their territories to serve as loan application takers.

CAPITAL STOCK HELD BY MEMBERS

The par amount of capital stock of all the production credit associations was $89,751,000 on the last day of 1937. Of this amount, $13,391,000, or 15 percent of the whole, represented class B stock owned by 255,472 farmer-members of associations; $76,360,000 was the total valuation of class A stock in possession of production credit corporations and private investors. On the same date last year, the total par amount of capital stock outstanding was $85,844,000; $10,754,000, or 12.5 percent was class B stock. It will be seen by comparison of the data that the farmer-borrowers' proportion of capital stock in their cooperative short-term credit associations rose about 2½ percent in the past year. The 1937 credit examination showed that during the year's operations of all production credit associations only $365,000 of class B stock was impaired by losses to the total amount of $267,000.

MEMBERSHIP EDUCATION

The 1937 annual stockholders' meetings brought 115,500 persons, including stockholders and guests, in attendance. Nearly all the associations printed and distributed among members their annual reports, the better to keep them closely informed on the affairs of their organization. During the year, association directors and officers were called together for 2-day conferences on policy and operations;

75 such conferences were held. Corporation officers also met constantly with individual boards and secretary-treasurers to work on particular problems. During the year, also, numerous employee-training classes were conducted.

BANKS FOR COOPERATIVES

Aside from their lending operations, the outstanding feature of activity for the banks for cooperatives during 1937—and one having very lively interest for agriculture generally—was the Nation-wide survey of all farmers' cooperative associations which was undertaken by them. A compilation of the findings will be available for distribution early in 1938.

One objective of the survey was to take inventory of all the elements making the pattern of agricultural cooperation in the United States: various types of financial structure, nature and extent of member participation in cooperatives' management and comparisons between various cooperatives' marketing and purchasing practices. With this fund of current information supporting them, the banks will be better able to give cooperatives constructive advice on their problems. It is believed the survey is the most complete listing and analysis of cooperative associations yet undertaken.

BANKS' VOLUME OF BUSINESS

The 12 district banks and the Central Bank for Cooperatives in Washington, D. C., advanced $97,584,000 during 1937, compared with $81,294,000 the year before. On the last day of December loans outstanding on the books of the 13 banks totaled $87,633,000; on the same day in 1936 the figure was $69,647,000. These banks began operations late in 1933 and in the early months of 1934. From that time to the end of 1937 total loans of all varieties—many of long term—amounted to $312,742,000; $224,744,000 has been repaid.

STOCKHOLDERS' MEETINGS

The district banks for cooperatives continued during 1937 the practice of holding meetings of their stockholders and cooperative conferences. In most instances two or more such gatherings were arranged in each district and opportunity offered both to representatives of borrowing cooperatives and staff members of agricultural colleges to discuss all phases of cooperative marketing and purchasing. Credit standards of the banks also were presented and discussed.

EMERGENCY CROP AND FEED LOANS

An act of Congress approved January 29, 1937, authorized the year's emergency crop and feed loans to farmers and livestock men and appropriated $50,000,000 to cover disbursements on such loans. The

act prescribed $400 as a maximum loan to any single borrower. Loans for the production of cash crops were to be secured by a first lien on all crops financed; for the purchase or production of feed for livestock security would be a first lien on livestock fed.

NUMBER AND AMOUNT OF LOANS

The Emergency Crop and Feed Loan Section made 252,895 loans in the total amount of $32,506,000 during 1937. This was an increase of 33.8 percent in number and 95.5 percent in dollar volume over the record for 1936—largely due to serious depletion of farmers' financial resources caused by the disastrous drought of 1936. In the Great Plains States so afflicted an increase of 127.5 percent in number of loans closed and an advance of 216.6 percent in volume was indicated.

COLLECTIONS

In these same States, where the number of loans was greatest, continued lack of moisture in some areas, pests in others, pulled down the year's collection record for the whole country; this despite bountiful crops and increased income in more favored territories. The end of the year showed $15,082,000 collected, or 46.4 percent of the total loan volume for the year.

Of the $17,424,000 outstanding at the close of the year $3,884,000 was on loans which will not mature until 1938. The percentage collection at the close of the year on 1937 loans which had matured was 52.6.

FEDERAL CREDIT UNIONS

Federal credit unions are savings and loan associations formed within clearly defined groups of persons having a close common bond, usually occupational in character, and chartered by the Governor of the Farm Credit Administration under an act of Congress passed in June 1934. They are entirely cooperative. They depend on the savings of their members for operating capital (except for occasional borrowing from outside sources) and are conducted by their own elected officials. Net profits, after 20 percent is set aside in a reserve fund, may be distributed among members as dividends.

In 1937, 638 new Federal credit union charters were issued, bringing the total number of such charters to 2,500. Special attention was given by the Farm Credit Administration in 1937 to examination and servicing work for established Federal credit unions. A number of amendments to the Federal act were made during the year.

Federal credit unions are now functioning in 47 States, the District of Columbia, and in the Territory of Hawaii. Their greatest concentration is in industrial areas. Pennsylvania and New York are the States leading in number of Federal charters issued. About nine-tenths of all Federal credit unions operate in groups bound together by a common employment.

OTHER FCA ACTIVITIES

This review has considered the progress during the year 1937 of the permanent credit organizations under the Farm Credit Administration as well as of those of an emergency character. Other organizations in process of liquidation come under Farm Credit Administration supervision. One of these embraces the regional agricultural credit corporations.

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

The Emergency Relief and Construction Act of 1932 authorized the Reconstruction Finance Corporation to set up in any, or all, of the 12 Federal land bank (now Farm Credit) districts a regional agricultural credit corporation with a paid-up capital of not less than $3,000,000. This was to meet the pressing need of short-term agricultural credit, particularly in the livestock industry. After production credit associations began to function, offering permanent sources of this type of credit, these temporary credit corporations were placed in orderly liquidation, May 1, 1934.

From their organization late in 1932 to the last day of 1937, 12 regional agricultural credit corporations made loans—exclusive of renewals—aggregating $322,693,000. On December 31, in process of orderly liquidation, $15,592,000, or 4.8 percent of the total advanced, was still outstanding. This represents a reduction by liquidation of $307,101,000. Original paid-in capital of the corporations was $44,500,000. Successive capital repayments to the Reconstruction Finance Corporation in the past 3 years have amounted to $37,000,000, leaving but $7,500,000 unreturned. Losses through charge-offs and acquisition of title to property from the time of organization to the end of 1937 totaled $1,493,000; this is approximately one-half of 1 percent of the entire amount loaned.

AGRICULTURAL MARKETING ACT REVOLVING FUND

When the activities of the Federal Farm Board were terminated by Executive order made effective May 27, 1933, the Farm Credit Administration succeeded to its functions of administering the remainder of its original revolving fund of $500,000,000. Active lending operations from this fund were curtailed after the establishment of the Central Bank for Cooperatives and the 12 district banks for cooperatives created under the Farm Credit Act of 1933, which provided for the payment from the revolving fund of capital stock of these institutions by the Governor of the Farm Credit Administration. Progress in liquidation of loans made by the Federal Farm Board and the Farm Credit Administration from the revolving fund has continued. During 1937, cash repayments on loans were made to the revolving fund aggregating $14,903,624. On the last day of the year outstanding loans totaled $98,970,777

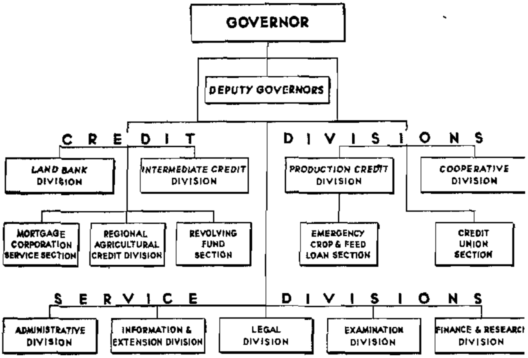

Figure 2.

The Washington Organization of the Farm Credit Organization.

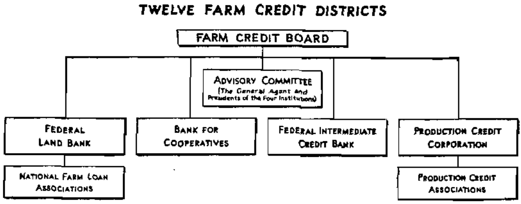

Figure 3.

The District Organization of the Farm Credit Administration.

FIFTH ANNUAL REPORT

of the

FARM CREDIT ADMINISTRATION

SIXTEEN years' successful application of the principles of cooperative agricultural credit by the 12 Federal land banks offered a background for the establishment of the Farm Credit Administration. An Executive order of the President—No. 6084—submitted to Congress March 27, 1933, and becoming effective May 27, brought the Farm Credit Administration into existence.

It was the design of this Executive order to bring under one organization all Federal agencies and instrumentalities concerned with agricultural credit. Also it was the intent to amplify the application of cooperative farm credit through other permanent agencies, already conceived and shortly to be authorized by congressional action.

Cooperative agricultural credit is designed to be a farmer's business service, just as the cooperative principle has been applied to mutual fire insurance organizations and cooperative water companies as well as to agricultural marketing and purchasing cooperatives. Cooperation exists not only between the Government and the permanent credit units of the Farm Credit Administration but also between member-borrowers of those credit units, whether individuals or grouped in cooperative associations. The Government supplies the necessary initial capital; the borrowers participate in this capital structure, each sharing a mutual responsibility for the benefit of all.

ADMINISTRATION OF THE SYSTEM

Originally, the only banks in the farm credit system were the Federal land banks making long-term mortgage loans, and the districts were appropriately called Federal land bank districts. However, three other banks subsequently were set up in each district, each offering a different type of agricultural credit but all—taken together—comprising a complete farm credit system. Under the provisions of section 5 of the Farm Credit Act of 1937, a further integration of the permanent regional credit institutions which comprise the Federal farm credit system was brought about. Under this act, the name of the land bank districts is changed to "Farm Credit districts."

In each district is established at one central city and in the same

building the Federal land bank, the Federal intermediate credit bank, the production credit corporation and a bank for cooperatives. A Central Bank for Cooperatives extending credit to regional or national cooperatives is located in the Washington office. Offices of emergency crop and seed loan organizations, with three exceptions, also are established in these 12 regional executive centers.

DIRECTORS

As a further step in the unification of the regional operations of the four district institutions, section 5 of the Farm Credit Act of 1937 changes the designation of the directorate to "Farm Credit Board." Heretofore, the directors of the Federal land bank in each district were ex officio directors of the Federal intermediate credit bank, the production credit corporation, and the bank for cooperatives. The statute continues the personnel of the old directorate in each district as members of a Farm Credit Board and provides that the members of this board are ex officio directors of the four district units.

The Farm Credit Board of each district is composed of seven members. Three are designated as local directors, three as district directors, and one is a director at large. Section 5 of the Farm Credit Act of 1937 changed the method of selecting this board of seven members in one respect only. The third district director, who was formerly appointed by the Governor to represent national farm loan associations and borrowers through agencies, under the provisions of the new statute is appointed by the Governor of the Farm Credit Administration from the three highest nominees of national farm loan associations. The three elected local directors are chosen as heretofore: one being elected by national farm loan associations and borrowers through agencies, one by production credit associations, and one by borrowers from the bank for cooperatives in the district. The Governor of the Farm Credit Administration appoints two district directors and a director at large. The term of office of each director is 3 years.

Because of the change in the method of selecting the third district director the qualification provisions of the law were changed so that only the other two district directors are precluded from being an officer, director, or employee of any other agency engaged in the business of lending money or of making or selling land mortgage loans. The statute prohibits officers or employees of any of the district institutions from serving as members of a Farm Credit Board. The power of the Governor of the Farm Credit Administration to remove the director at large is limited to removal for cause.

The new manner of selecting the third district director has the effect of giving the farmer-borrowers a greater share in the control of their cooperative credit system. In the year 1937 nine third district direc-

tors were appointed by the Governor upon nomination by national farm loan associations. Members of production credit associations in the 12 districts elected a director to represent them on each of the boards of directors. Three district directors and 12 directors at large were appointed by the Governor. Section 6 of the Farm Credit Act of 1937 vests in the Farm Credit Board in each district certain powers as to all four of the district institutions in order to enable the board to avoid duplication and conflict in the handling of matters of mutual concern. This permits the appointment of a unified service staff and the unified handling of property needed in transacting the business of the four credit units in each district. Officers and employees appointed under this section are officers and employees of the four institutions. This section of the act also provides that the Federal leave statutes which formerly applied to certain of the district units shall not be applicable to any of them.

THE ORDER OF THIS REPORT

At the time the Farm Credit Administration was established several already existing emergency credit institutions came under its province. Still others whose functions were supplanted by permanent institutions created by subsequent acts of Congress also were brought under the Farm Credit Administration; the same legislation indicated the liquidation of these latter organizations inasmuch as they had served their purpose, and their functions were transferred to permanent credit agencies.

For the purpose of clarity this report classifies all institutions, agencies, and credit funds within the purview of the Farm Credit Administration's authority into three groups: (*a*) Those established as permanent units of a complete and coordinated farm credit system; (*b*) those born of the emergency but which are still in operation; and (*c*) those in process of liquidation. Consideration of the permanent units follows first:

FEDERAL LAND BANKS

The 12 Federal land banks were established in 1917 under authority of the Federal Farm Loan Act as permanent institutions designed to provide long-term farm mortgage credit for agriculture at rates of interest in keeping with the cost of borrowed funds plus a margin for operating expenses.

APPLICATIONS

Since August 23, 1933, the Federal land banks have acted as agents of the Land Bank Commissioner as well as for themselves in the handling of applications for farm mortgage loans. The following

table shows the number and amount of applications received or reinstated by the Federal land banks, by years, since May 1, 1933:

Applications, by years, since May 1, 1933

Year	Number	Amount
1933	502,470	$2,064,897,403
1934	402,829	2,043,653,392
1935	162,968	811,081,485
1936	84,030	375,504,863
1937	60,836	247,985,002
Total, May 1, 1933, to Dec. 31, 1937	1,213,133	5,543,122,135

Figure 4 shows the receipt and disposition of applications, by quarters, from May 1, 1933, to December 31, 1937.

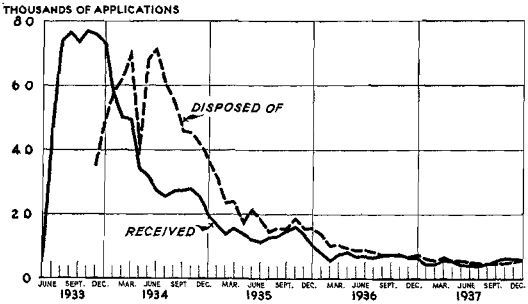

FIGURE 4.

RECEIPTS AND DISPOSALS OF MORTGAGE LOAN APPLICATIONS.

During 1937, 61,512 applications for $254,269,172 were either withdrawn by applicants or approved or rejected by the banks acting for themselves and as agents of the Land Banks Commissioner. Thus the number of applications disposed of during the year exceeded the number received by the banks and the number not acted upon was reduced from 7,042 on December 31, 1936, to 6,366 on December 31, 1937. The following table shows the receipts and disposition of applications during 1937:

Receipt and disposition of applications during 1937

Status or action	Number	Amount
Balance not acted upon Jan. 1, 1937	7,042	$31,603,130
Received during 1937	60,836	247,985,002
Total	67,878	279,588,132
Disposition during 1937:		
Rejected by banks or withdrawn by borrowers before approval	25,583	87,245,030
Approved for loans	35,929	137,934,317
Amount of reductions by banks		29,089,825
Total	61,512	254,269,172
Balance not acted upon Dec. 31, 1937	6,366	25,318,960

During 1937, loans totaling $137,934,317 were approved by the Federal land banks, acting for themselves and as agents of the Land Bank Commissioner. Over the same period, 37,862 land bank and Commissioner loans amounting to $103,111,902 were closed and commitments for $54,105,045 were withdrawn or canceled after approval. The amount of loan commitments outstanding was reduced from $47,158,060 on January 1, 1937, to $27,875,430 on December 31, 1937. Changes during the year in the amount of loan commitments outstanding are summarized in the following table:

Disposition of loan commitments during 1937

Item	Federal land banks	Land Bank Commissioner	Total
Commitments outstanding Jan. 1, 1937	$27,334,900	$19,823,160	$47,158,060
Loans approved during 1937	83,498,444	54,435,873	137,934,317
Total	110,833,344	74,259,033	185,092,377
Disposition during 1937:			
Loans closed	63,091,729	40,020,173	103,111,902
Withdrawals and cancellations	30,387,215	23,717,830	54,105,045
Total	93,478,944	63,738,003	157,216,947
Commitments outstanding Dec. 31, 1937	17,354,400	10,521,030	27,875,430

Further details as to the number and amount of land bank and Commissioner loans closed are given in tables 1 to 4 of the appendix.

FEDERAL LAND BANK LOANS

The Federal land banks may make loans for their own account only on the security of first mortgages on farm land. Loans may not be made in excess of 50 percent of the appraised normal value of the land

mortgaged, plus 20 percent of the appraised value of the permanent, insured improvements. Not more than $50,000 may be loaned to any one borrower and applications for loans of more than $25,000 must be submitted to the Land Bank Commissioner for approval. Under the provisions of the Farm Credit Act of 1935, land bank loans may be made under certain conditions to corporations engaged in raising livestock. Prior to that time, only individuals—"natural persons"—were eligible to become borrowers.

PURPOSES

Land bank loans may be made for the following purposes: (*a*) To *purchase land for agricultural uses;* (*b*) to buy equipment, fertilizers, and livestock necessary for the proper and reasonable operation of the mortgaged farm; (*c*) to provide buildings and for the improvement of farm land; (*d*) to liquidate any indebtedness of an eligible borrower if the debt was incurred prior to January 1, 1937, and to liquidate a debt incurred for agricultural purposes without regard to the time when such a debt was incurred; and (*e*) to provide the owner of the mortgaged land with funds for general agricultural uses.

LOANS TO PURCHASE FARMS

The percentage of applications for loans to purchase farms continued to increase during 1937. During the year 1937, the Federal land banks and Commissioner made 6,183 loans which involved the purchase of land. The total amount allocated to land purchase was $21,635,274, or 21 percent of loans of both types made during 1937.

INTEREST RATES

Except with the approval of the Governor of the Farm Credit Administration, the interest rate on Federal land bank loans made through national farm loan associations may not exceed by more than 1 percent the interest rate on the farm loan bonds last issued by the banks.[1] The interest rate on new loans made through national farm loan associations during 1937 was 4 percent. In accordance with the law, the interest rate on direct loans is fixed one-half of 1 percent higher than the rate on loans made through national farm loan associations.

The Farm Credit Act of 1937 provides that under special conditions land bank loans may be made through national farm loan associations whose capital stock is impaired and the interest rate on such loans is fixed at one-fourth of 1 percent less than the rate on direct loans.

As the result of the Emergency Farm Mortgage Act of 1933 and subsequent legislation, borrowers through national farm loan associations have paid interest on their loans during 1937 at the temporary

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[1] Because of special hazards attaching to loans on lands employed in the production of naval stores, the Governor of the Farm Credit Administration authorized, May 13, 1937, a rate of interest on such loans

rate of 3½ percent instead of the contract rate written in their mortgages. The temporary rate for direct loans has been one-half of 1 percent higher. Under the provisions of the existing law, the temporary interest rate of 3½ percent will continue until June 30, 1938. A temporary rate of 4 percent will prevail for the following year ending June 30, 1939. During 1937, these reductions amounted to $32,359,202 in interest savings to land bank borrowers. The banks are reimbursed for the amount of such interest reductions by the Secretary of the Treasury.

VOLUME

During 1937, 15,989 Federal land bank loans were closed in the amount of $63,091,729. On December 31, 1937, 635,776 Federal land bank loans amounting to $2,035,306,748 were outstanding. The number and amount of loans closed during each year and outstanding at the end of each year from 1917 through 1937 are given in table 5 of the appendix. The number and amount of loans closed during 1937 and outstanding at the end of the year, by States, appear in appendix, table 6. Figure 5 shows the amount of Federal land bank loans closed, by years, since the date of organization of each bank and the amount outstanding at the close of each year.

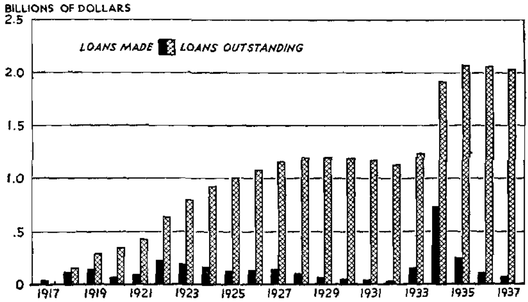


FIGURE 5.

MORTGAGE LOANS CLOSED AND OUTSTANDING, BY YEARS SINCE ORGANIZATION.

COLLECTIONS

Collections on Federal land bank loans continued to improve during 1937. The extent of improvement was somewhat lower than during 1936 because of drought conditions over large areas and unfavorable prices on certain farm commodities. The percentage of loans on

on December 31, 1935, to 77.5 percent in 1936 and to 79.4 percent on December 31, 1937. The following table indicates the extent of improvement, by years, since December 31, 1935:

Classification of Federal land bank loans outstanding Dec. 31, 1935, 1936, and 1937

Classification	Dec. 31, 1935		Dec. 31, 1936		Dec. 31, 1937	
	Number of loans	Percent of total	Number of loans	Percent of total	Number of loans	Percent of total
Loans with all matured unpaid installments extended:						
Extensions not delinquent	29,657	4.6	48,438	7.6	29,897	4.7
Extensions delinquent	17,827	2.8	9,129	1.4	11,963	1.9
Loans with delinquent installments	128,567	19.9	86,302	13.5	89,264	14.0
Total	176,051	27.3	143,869	22.5	131,124	20.6
Loans with all matured installments paid in full by borrowers	467,752	72.7	495,959	77.5	504,652	79.4
Total	643,803	100.0	639,828	100.0	635,776	100.0

On land bank loans outstanding as of June 3, 1935, on which the borrower is not in default with respect to any other condition or covenant of his mortgage, the borrower has the privilege of deferring the principal portion of all regular loan installments maturing prior to July 11, 1938. This privilege is in accordance with the provisions of the Farm Credit Act of 1935. Although many borrowers have taken advantage of this privilege, the principal payments on land bank loans again increased during 1937. The total amount of principal payments was $39,671,825, exceeding similar payments in 1936 by $7,062,857. In addition, 12,189 loans totaling $27,593,868 were paid in full as compared with 9,254 loans totaling $18,828,906 paid during 1936.

CONDITIONAL PAYMENTS

Under the provisions of the Farm Credit Act of 1937, the Federal land banks have been authorized to accept conditional payments in connection with their loans. By means of conditional payments a Federal land bank borrower may build up a reserve out of which subsequent installments on his loan may be paid. Such a payment when received by the bank may draw interest during the time it is held for subsequent credit upon the related loan. By means of conditional payments a borrower in good years may provide for the payment of future installments, which, due to crop failures or for other reasons, he might not be able to meet.

EXTENSIONS

Whenever a borrower is able to pay, it is expected he will do so. Delinquent loans are carefully considered by the banks in an effort to

help each borrower whose loan becomes delinquent to place the loan in current condition. If the circumstances indicate that the borrower cannot meet his payments currently but that he is doing his honest best; is applying his income—over and above reasonable operating and living expenses—to the payment of his primary obligations; is taking proper care of the farm and has the capacity to work out of a reasonable burden of debt under normal conditions, it is the policy of the Federal land banks to work out a plan of payment which will give the borrower an opportunity to continue the mortgage.

During 1937, the Federal land banks granted 28,300 extensions totaling $9,305,113 as compared to 33,368 extensions during 1936 totaling $11,083,698.

REAL ESTATE

Acquirements of real estate declined during 1937. These acquirements, including farms acquired outright and sheriffs' certificates, judgments, etc., numbered 9,969 in 1937 as compared with 14,656 farms in 1936 and 13,028 farms in 1935.

During 1937, the Federal land banks have continued to make special efforts to dispose of acquired real estate and the volume of sales continued on a high level during the year. The banks sold or otherwise disposed of 15,280 farms or parts of farms for a total consideration of $37,805,652. This compares with 15,013 farms and parts of farms sold for a total consideration of $35,227,788 in 1936, and 9,712 farms and parts of farms sold for a total consideration of $28,135,869 in 1935. Sales prices received during 1937 were higher in relation to the banks' investment than in the previous year. The average initial cash payment received in 1937 increased. The banks find it to their best interests to dispose of acquired real estate promptly and at prices

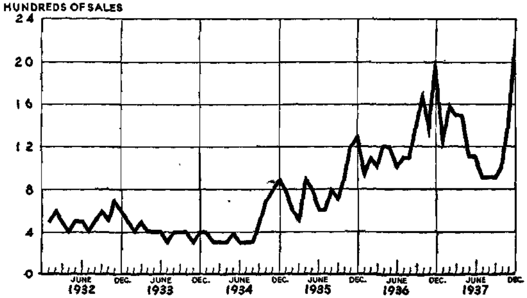


FIGURE 6.

NUMBER OF FARMS SOLD BY FEDERAL LAND BANKS.

consistent with prevailing market conditions. The number of farms sold, by years, is indicated by figure 6.

With the decline in acquisitions and the continued large volume of sales, the banks have been able to reduce their real estate inventories by approximately 3,200 properties during 1937. On December 31, 1937, the Federal land banks owned, either outright or subject to redemption, 25,838 farms with a carrying value of $86,957,443. This compares with 29,075 properties with a carrying value of $100,487,053 at the close of 1936. Data regarding the real estate activities of each bank during 1937 are included in tables 11 and 12 in the appendix of this report. A summary of real estate operations conducted by the 12 Federal land banks during each of the years 1935, 1936, and 1937 is given below:

Farms, sheriffs' certificates, judgments, etc., acquired and disposed of by the Federal land banks during 1935, 1936, and 1937

Item	1935	1936	1937
Acquisitions:			
Number	13,028	14,656	9,969
Investment [1]	$49,529,492	$56,700,531	$30,859,995
Disposals:			
Number (including parts of farms)	9,712	15,013	15,280
Investment [1]	$36,147,948	$47,408,111	$49,357,263
Carrying value	$28,078,844	$34,917,756	$37,190,467
Consideration	$28,135,869	$35,227,788	$37,805,652
Ratio consideration to carrying value (percent)	100.2	100.9	101.7
Average percent cash received at time of sale	17.7	19.3	21.4

[1] On Mar. 1, 1935, the definition of investment was changed to include accrued interest to date of acquisition, and subsequent operation and maintenance items. Prior to that date, such items were not included.

FINANCE

The Farm Credit Act of 1937 provides important changes in the fiscal provisions of the laws governing the operations of the banks. It granted the Federal land banks the same general power to buy and sell Federal Farm Mortgage Corporation bonds as they have had to buy and sell United States Government bonds. Previously, the banks had general power to purchase Federal Farm Mortgage Corporation bonds only at or below par, although certain trust funds held by the banks could be invested in bonds of the Federal Farm Mortgage Corporation without restriction as to price.

This act also extended the powers of the Federal land banks so as to permit the making of interbank loans upon terms and conditions approved by the Farm Credit Administration. This extension of power is a further step in the integration of the banks as a self-contained and self-sustaining system of institutions that obtain funds on the basis of their combined credit through the sale of consolidated bonds to the public.

In order to facilitate the issuance of consolidated bonds and to enable the bond committee—consisting of the presidents of the 12 banks or their alternates—to discharge its duties more efficiently and economically the Federal Farm Loan Act, as amended, authorizes the bond committee to appoint a subcommittee of 3 from among its members. This subcommittee exercises all, or a part of, its powers at such times as the bond committee is not in session.

Under the provisions of previous legislation, the Secretary of the Treasury has subscribed from time to time to the paid-in surplus of the Federal land banks for the purpose of assisting these banks in granting extensions and in deferring payments of principal. The Farm Credit Act of 1937 provides that all unpaid balances of the funds appropriated for these subscriptions to paid-in surplus and all repayments of Government subscriptions to paid-in surplus shall be held in the Treasury as a revolving fund.

These funds are, therefore, continually available for the purpose of enabling the banks to extend aid to borrowers. Through repayments to the revolving fund made by banks able to do so, additional subscriptions may be made from time to time to the paid-in surplus of other banks requiring the money to provide for the needs of their borrowers.

In the following table the changes which occurred in farm loan bonds outstanding during the year 1937 are summarized:

Amount of consolidated and individual farm loan bonds issued and retired in 1937, and amounts outstanding Dec. 31, 1936 and 1937

Item	Individual farm loan bonds	Consolidated farm loan bonds	Total
Bonds outstanding Dec. 31, 1936	$205,674,100	$1,758,980,340	$1,964,654,440
Less: Bonds on hand Dec. 31, 1936	92,440	82,300	174,740
Net bonds outstanding Dec. 31, 1936	205,581,660	1,758,898,040	1,964,479,700
Bonds issued during 1937		97,250,000	97,250,000
Bonds retired during 1937	168,192,360	26,480,000	194,672,360
Bonds outstanding Dec. 31, 1937	37,481,740	1,829,750,340	1,867,232,080
Less: Bonds on hand Dec. 31, 1937	1,104,700	68,692,200	69,796,900
Net bonds outstanding Dec. 31, 1937	36,377,040	1,761,058,140	1,797,435,180

The decrease in the net amount of bonds outstanding at the end of 1937 as compared with the net amount outstanding on December 31, 1936, is the result of the retirement or call during the year of $168,192,360 of individual farm loan bonds. Bonds outstanding, together with average interest rates, are shown in figure 7.

The changes in the financial condition of the 12 Federal land banks during 1937 are reflected in the following table which shows the principal assets and liabilities of the banks as of December 31, 1936, and December 31, 1937. A more detailed statement of condition appears as table 20 in the appendix.

Principal asset and liability items of the Federal land banks, Dec. 31, 1936 and 1937

	Dec. 31, 1936	Dec. 31, 1937
ASSETS		
Mortgage loans	$2,062,558,869	$2,033,542,365
Extensions	28,922,416	[1] 22,243,585
Delinquent installments [1]	9,256,313	8,438,583
Purchase money mortgages and contracts	68,980,526	83,710,806
Real estate	98,674,558	96,775,640
Sheriffs' certificates, judgments, etc	30,642,493	21,406,586
Loans called for foreclosure	27,551,178	20,380,840
Cash and Government securities	108,386,738	93,327,562
Due from the Secretary of the Treasury	18,373,923	12,625,252
Accrued interest receivable (not yet due)	30,430,310	29,912,882
Other assets	19,010,973	19,025,030
Total assets	2,502,794,297	2,441,389,131
LIABILITIES		
Farm loan bonds outstanding [2]	1,964,479,700	1,797,435,180
Matured obligations	7,194,938	9,638,934
Notes payable	24,636,147	82,566,361
Accrued interest payable (not yet due)	21,597,916	19,975,849
Other liabilities	23,097,126	19,057,756
Valuation reserves	45,941,725	51,410,365
Capital stock	238,553,350	237,965,510
Paid-in surplus	128,016,019	160,426,168
Legal reserve	35,381,340	43,102,952
Earned surplus	-----------	8,500,000
Reserve for contingencies	13,896,036	10,862,562
Undivided profits	-----------	447,494
Total liabilities	2,502,794,297	2,441,389,131

[1] Partial payments deducted.
[2] Excludes bonds on hand.

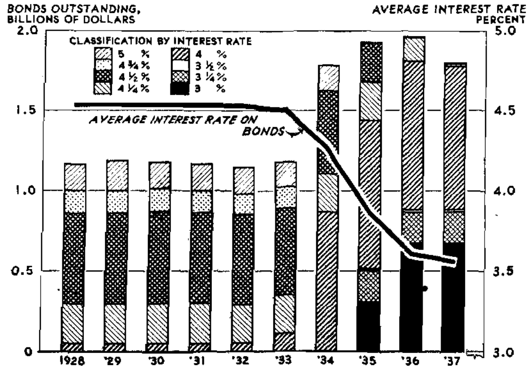


Figure 7.

Federal Land Bank Bonds Outstanding and Average Interest

BOND RETIREMENTS

The individual farm loan bonds called and retired during 1937 are ımmarized in the following table:

Amount of individual farm loan bonds retired or called during 1937, by interest rates

Interest rate	Amount
½ percent	$8,640
¼ percent	139,369,300
›ercent	28,814,420
Total	168,192,360

With the exception of a small amount of refunding bonds sold to ıe public, these bonds were paid off or refunded through the issuance consolidated bonds by certain of the banks to other banks in the rstem. The latter was either canceled, used as security for loans, r are being held by the banks. In obtaining funds with which to etire individual bonds, as well as to purchase consolidated bonds in ıe case of certain banks, cash on hand was used with the balance eing obtained from commercial banks and the Federal Farm Mortıge Corporation. In those instances where it was expected that ›ans could be repaid within 6 months to a year, loans were obtained om commercial banks, but where more than 1 year was required, ıe loans were usually obtained from the Federal Farm Mortgage orporation. By borrowing from the Federal Farm Mortgage Cor›ration rather than issuing long-term bonds, certain land banks ere able to arrange their maturities to coincide with estimated repayıents from loans during the next few years.

The Federal land banks are jointly and severally liable for the pay.ent of principal and interest on consolidated farm loan bonds. either consolidated bonds nor those issued individually by the banks 'e guaranteed in any way by the Federal Government. However, ›th types of bonds and the income derived from them are exempt 'om Federal, State, municipal, and local taxation.

In the collateral statement which appears in table 16, it is shown ıat collateral pledged as security by the Federal land banks for indi.dual and consolidated farm loan bonds amounted to $2,032,767,250 ı December 31, 1937. Bonds outstanding, including bonds on ınd and matured or called bonds, amounted to $1,876,451,685 ›sulting in an excess in pledged collateral of $156,315,565.

Notes payable to the Reconstruction Finance Corporation amounted › $11,566,361 on December 31, 1937, which is $13,069,786 less than ıe amount on December 31, 1936. As a result of the financing

operations in connection with the call and retirement of individual farm loan bonds during the year outstanding loans from the Federal Farm Mortgage Corporation and commercial banks amounted to $71,000,000 on December 31, 1937.

CAPITAL

The total outstanding capital stock of the Federal land banks on December 31, 1937, was $237,965,510. Of this amount, national farm loan associations owned $110,410,985, or 46.4 percent and the United States Government owned $124,121,595, or 52.2 percent. Of the remainder, $3,348,565 was owned by direct borrowers and $84,365 by borrowers through agents.

Under an amendment to the Federal Farm Loan Act, approved January 23, 1932, the Secretary of the Treasury on behalf of the United States subscribed for $125,000,000 of additional capital stock in the Federal land banks. It is to be retired in the same manner as the original stock except that 25 percent of the proceeds of stock subscribed by direct borrowers also is used to retire Government-owned stock. In addition, however, the law provides that all repayments on account of such stock shall be held in the Treasury of the United States as a revolving fund from which further subscriptions to capital stock may be made.

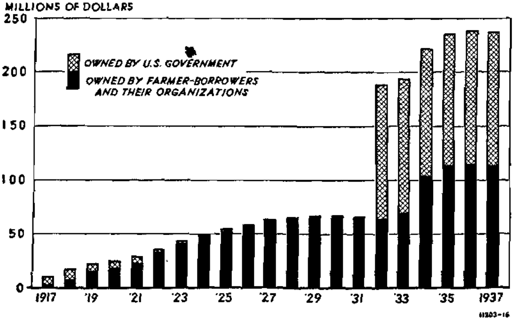


FIGURE 8.

OWNERSHIP OF FEDERAL LAND BANK STOCK.

During the year 1937, repayments to this capital stock revolving fund totaled $6,944,540, and resubscriptions to the capital stock of the banks amounted to $7,000,000. Appendix, table 17, shows the

amount of capital stock in each Federal land bank owned by the various classes of stockholders, as of December 31, 1937. Figure 8 gives this graphically.

PAID-IN SURPLUS AND RESERVES

The paid-in surplus subscribed by the United States Government under the terms of extensions and deferments increased by $32,410,149 during the year 1937 and amounted to $160,426,168 on December 31, 1937. Under the provisions of the Farm Credit Act of 1937, the paid-in surplus was converted into a revolving fund similar to that of the capital stock. Repayments of paid-in surplus by the banks will be held, therefore, in the Treasury of the United States as a revolving fund from which further subscriptions to the paid-in surplus in the banks may be made.

Valuation reserves increased in the amount of $5,468,641 during 1937 largely as a result of increases in the reserves being maintained against real estate and loans called for foreclosure.

A consolidated profit and loss statement of the Federal land banks for the year 1937 appears as table 21, appendix. The following condensed statement compares the earnings of the 2 years, 1936 and 1937:

Condensed profit and loss statement of the Federal land banks

Item	1936	1937
Earnings:		
Interest on mortgage loans	$105, 399, 985	$104, 597, 418
Interest—Other	6, 536, 752	6, 928, 423
Other income	633, 675	511, 613
Total	112, 570, 412	112, 037, 454
Deductions from earnings:		
Interest expense	73, 409, 389	68, 286, 413
Operating expense	15, 508, 411	14, 641, 675
Total	88, 917, 800	82, 928, 088
Net operating earnings	23, 652, 612	29, 109, 366
Net loss on mortgage loan and real estate transactions	9, 875, 104	9, 699, 004
Amortization of premium and discount (net), and net loss on securities transactions	383, 942	529, 751
Miscellaneous additions	187, 848	223, 661
Net profit before adjustment of valuation reserves	13, 581, 414	19, 104, 272
Adjustment of valuation reserves	+7, 825, 095	5, 468, 640
Net profit after adjustment of valuation reserves	21, 406, 509	13, 635, 632

The legal reserve increased by $7,721,612 during the year and the reserve for contingencies decreased by $3,033,474. The earned surplus and undivided profits of the banks amounted to $8,947,494 on December 31, 1937; there had been none at the end of 1936 since all earnings for the year had been transferred to the legal reserve and reserve for contingencies. The total of valuation reserves, paid-in surplus, legal reserve, reserve for contingencies, earned surplus and undivided profits amounted to $274,749,541 on December 31, 1937, or $51,514,423 in excess of the amount on December 31, 1936.

Interest on loans decreased $802,567 in 1937 from 1936, while operating expenses including interest expenses were $5,989,712 less in 1937 than in the previous year.

APPRAISALS

With the continuing decline in loan applications, the number of land bank appraisers has decreased and on December 31, 1937, the appraisal force numbered 562. Of this force, 479 were engaged in field work, the remainder were assigned in the offices of the reviewing appraisers, the chief appraisers and the engineer-appraisers in the various land banks, and in the appraisal subdivision at Washington. Land bank appraisers are included in the classified Civil Service.

It is the purpose of the Farm Credit Administration to develop and maintain an efficient staff of land bank appraisers who can render sound appraisal and credit service. The training of appraisers has continued; the appraisal review staff periodically checks the work of individual appraisers to see that sound appraisal and credit principles are being followed.

To further the plan of the individual development of appraisers, the appraisal studies inaugurated in 1935—and which have been conducted largely on an area basis—were extended to include studies of selected farms by many of the appraisers in their respective territories. The results of these studies are being reviewed and correlated for the purpose of establishing the relative carrying capacity of different types of farms under varying conditions. In addition to these studies, investigations also have been made of the loan problems connected with specialized farms in various parts of the country. Particular attention has been given to poultry, potato, and truck farms and to studies of the factors underlying the making of loans on turpentine and range properties.

Engineer-appraisers assigned to ten of the Federal land banks continued studies and investigations of the physical and economic factors affecting the appraisal of lands in special improvement districts and other areas. The refinancing of a great number of agricultural improvement districts through the Reconstruction Finance Corporation and the changed economic conditions brought about thereby resulted

in a number of reinvestigations of the areas affected. In some districts additional improvements have been made or conditions have changed so that it has been necessary to obtain up-to-date data in order that a correct basis for determining loan policies for such districts may be maintained.

Other lines of investigations by engineer-appraisers include the effect of floods on river valley lands, the recession of ground water affecting the economics of pumping for irrigation, and the effect of variations in rainfall on drainage requirements.

In addition to making appraisals for loan purposes land bank appraisers are required to establish the recovery and normal market value of farms which have beeu reacquired by the Federal land hanks. These values as established by an appraiser are considered by the banks in determining the amount at which a farm may be carried as an asset on its books and also serves as a guide in fixing the sales price for the property. Special attention has been given to the making of reappraisals of acquired real estate. Representatives of the Farm Credit Administration collaborate with the Federal land banks in studying the problems raised by acquired farm properties.

NATIONAL FARM LOAN ASSOCIATIONS

National farm loan associations are chartered in accordance with the provisions of the Federal Farm Loan Act, as amended, and operate under the supervision of the Farm Credit Administration.

The associations are cooperative credit organizations through which Federal land bank loans normally are made. They are composed of groups of farmers who organize and, by the assumption of certain mutual responsibilities, provide a means of obtaining long-term mortgage credit for their community. The farmer-borrower who obtains a Federal land bank loan througb a national farm loan association subscribes for shares of stock in the association to the extent of 5 percent of the amount of the loan; the association in turn subscribes for an equal amount of the stock of the Federal land bank.

The association indorses and thereby becomes liable for the payment of all mortgages given by its members to secure the loans obtained from the Federal land bank through the association. The borrowers' stock is held by the association as collateral security for the loan and the stock of the Federal land bank—subscribed for by the association—is pledged as collateral to secure the association's indorsement.

During 1937, 142 new associations were organized and chartered to operate. The organization of 134 associations through the consolidation of 345 associations and the termination of the corporate existence of 94 associations have resulted in the elimination of 439 former associations. The total number of associations on December

31, 1937, was 4,681, as compared with 4,978 on December 31, 1936. The number of these organizations, by districts, is given in table 22 of the appendix.

REBUILDING OF NATIONAL FARM LOAN ASSOCIATIONS

The program for developing a Nation-wide plan for reestablishing the responsibilities of national farm loan associations and placing them on a sound self-supporting basis was continued during the year with marked progress.

The Farm Credit Act of 1937 makes a number of changes in the structure and organization of the national farm loan associations which will greatly facilitate the purposes of the program to provide more effective sources of credit to farmers and more adequate and efficient servicing of the loans made to them.

Section 21 of the Farm Credit Act of 1937 changes the term of office of national farm loan association directors from 1 to 3 years and provides for staggering the election of such directors. This section provides that each national farm loan association should have a board of from five to seven members and that at the first annual meeting of the shareholders following the passage of the act, they should elect two directors for a term of 3 years, two directors for a term of 2 years, and the remainder of their board for a 1-year term. Thereafter, the shareholders are to elect annually for terms of 3 years as many directors as may be necessary to fill the places of those whose terms expire during the year.

Section 23 of the Farm Credit Act of 1937 provides that every shareholder of a national farm loan association is now entitled to one vote and no more at all elections of directors and in deciding all questions at meetings of shareholders. The former provision entitled a member to 1 vote for each share of stock held by him up to 20 votes. This change makes applicable to national farm loan associations the principle of representation which is generally followed in cooperative organizations.

Section 24 of the act permits applicants for loans through an association to be admitted to membership and their applications approved by a majority vote of the directors of an association instead of by a two-thirds vote as previously required.

GROUP MANAGEMENT

The plans developed to place upon associations more responsibility for servicing loans of their members has been accepted by a total of 3,886 associations as of December 31, 1937. Allowances have been made available by the Federal land banks to these associations in order to provide them with income to meet the necessary expenses of

association. Such consolidations have resulted in building strong individual associations on a basis which will permit them to function effectively. It has also resulted in substantial savings in the operating expenses of the associations and the Federal land banks. From November 1935, when the present consolidation program was inaugurated, to December 31, 1937, 433 associations were consolidated into 159 associations. In addition, the consolidation of 244 associations to form 97 has been tentatively approved and final approval in each case awaits only the action of the associations and the granting of a charter to the new associations by the Farm Credit Administration.

IMPAIRED ASSOCIATIONS

It has been the continuing aim of the Farm Credit Administration to restore on a sound business basis the usefulness of national farm loan associations the capital structure of which has become impaired by losses sustained under their indorsement of loans. Section 25 (b) of the Farm Credit Act of 1937 authorizes a method wherehy loans may still be made through a national farm loan association although the capital stock of the association has become impaired. The section provides that whenever it shall appear the capital stock of an association is impaired the Farm Credit Administration may authorize the Federal land bank of the district in which the association is located to make loans to applicants through the association subject to certain terms and conditions. These are:

Each new borrower becomes a member of the association, subscribes to the stock of the Federal land bank of the district in an amount equal to 5 percent of his loan and pays a rate of interest one-fourth of 1 percent below the rate on direct loans. When there are ten or more such borrowers with loans in good standing aggregating not less than $20,000, it is provided they shall become mutually liable for each others loans; stock of the bank is exchanged for stock in the association; and their interest rate shall be reduced one-fourth of 1 percent after the next installment date. The new members and old members of the association will be in separate groups, with separate issues of stock. Earnings from operations will be allocated and reserves will be set up separately; there will be no intergroup liability except for operating expenses. Provision also is made for a termination of the segregation if and when all impairment in the capital stock of the old group of borrowers is removed. This method of making loans is supplementary to the other methods provided in the Federal Farm Loan Act and does not prohibit or supplant any of them.

The Farm Credit Act of 1937 also makes possible through section 25 (c) a more economical servicing of loans by associations. Any national farm loan association with the approval of the Federal land

bank of the district may enter into an agreement with another association operating in the same, or adjacent, territory under which the latter will be permitted to service loans made through the first association.

Section 25 (d) of the act authorizes a method by which impaired national farm loan associations may, in certain cases, be permitted to pay off and retire their capital stock at its fair book value upon full payment of the mortgage loans in connection with which such stock was issued originally. Under this section, the association with impaired stock may settle on the same basis claims of any of their former stockholders who have paid their loans in full but have not received credit for—or the proceeds of—their stock. The section provides for the appointment of a conservator by the Farm Credit Administration, land bank appraisers being preferred for such an appointment. The conservator will prepare a report on the financial condition of the association. On the basis of this report and the recommendation of the Federal land bank of the district, the Farm Credit Administration may fix the fair book value at which stock may be paid off and retired.

COORDINATION OF ASSOCIATIONS

The coordination of the activities of national farm loan associations and production credit associations has provided farmers in many areas with single local credit centers through which both long and short-term credit is made available. An extension of such coordination projects may be possible in the further development of the association program.

DIRECT LOANS

A Federal land bank may make direct loans to farmers upon the authorization of the Land Bank Commissioner in any locality where a national farm loan association has not been formed or where a Federal land bank cannot accept applications through an existing association. Direct loan borrowers are required to purchase capital stock of the Federal land bank in the amount of 5 percent of the loan granted and this stock is held by the bank as collateral security for the repayment of the loan. During 1937 the Federal land banks made 839 direct loans to farmers, amounting to $2,246,400. These figures represent approximately 5.3 percent of the number and 3.6 percent of the total amount of the Federal land bank loans made to farmers during the year.

MEMBERSHIP RELATIONS

One of the responsibilities of the Farm Credit Administration under the terms of the Federal Farm Loan Act is the dissemination of information for the further instruction of farmers regarding the methods

has been given during the year to the further development of the cooperative features of the farm loan system. Experience has indicated that a well-informed membership in national farm loan associations will result in the selection of well-qualified and efficient local management of the associations and one of the principal objectives of the Farm Credit Administration and the Federal land banks has been to keep association members informed on the condition of the banks and to discuss with them their responsibilities as participants in the farm loan system.

The program for disseminating information has consisted largely in holding meetings and conferences of various kinds in annual stockholders' meetings, special stockholders' meetings, appraisal review conferences, conferences with officers and directors of individual associations, local group meetings of officers and directors of associations and group conferences with secretary-treasurers and association presidents.

ANNUAL STOCKHOLDERS' MEETINGS

Special efforts were made to assist national farm loan associations in improving their annual meetings through the development of programs that would be both instructive and interesting to the membership. Associations were furnished with large wall-size charts which were used in explaining the financial condition of the association, the duties and responsibilities of its officers and directors and any special problems with which the association was confronted.

The annual meetings of 2,306 national farm loan associations were attended by representatives of the banks and the members present at these meetings represented 70 percent of the attendance at all annual meetings. The attendance at all reported annual meetings held in 1937 was 125,357, which included 88,683 members of associations and 36,674 nonmembers, of which approximately 10,000 were Land Bank Commissioner or direct loan borrowers. A summary of the attendance by districts and states is included in the appendix, table 23.

SPECIAL STOCKHOLDERS' MEETINGS

In several of the districts, special stockholders' meetings were held to commemorate the twentieth anniversary of many associations which have functioned since their organization in 1917. In practically all of these special meetings, representatives of the banks participated in discussions to the mutual benefit of the associations and the banks.

APPRAISAL REVIEW CONFERENCES

In a number of the banks plans were made during the year to hold appraisal conferences with boards of directors, loan committees, and secretary-treasurers of national farm loan associations. Their pur-[illegible] mutual understanding as to what constitutes sat-

isfactory appraisals and sound credit principles. More than 150 meetings of this type were held during the year. Usually representatives of the Appraisal Division and an official of the bank attended. The program consisted of round-table discussions and field appraisals in which all the members of the group participated. Reports from national farm loan associations where such conferences were held indicate that they have been much worth while.

ASSOCIATION BUSINESS REVIEW MEETINGS

In some of the districts, field conferences were held wherein representatives of the Federal land bank met with the officers and directors of an association for the purpose of conducting a review of the entire business of the association. The program of these conferences usually consisted of an informal round-table discussion covering the financial condition and interrelated problems, policies, and procedures of the bank and the association. Careful consideration was given to the matter of association management as it affects the delinquency on loans indorsed by the association, foreclosure of mortgages, and bank-owned real estate. Experience indicates that this type of meeting results in a better understanding of the mutual responsibilities of the bank and the local associations and helps to establish more effective procedure for the servicing of loans by the association.

GROUP MEETINGS

In some instances, the Federal land banks arranged meetings of 1 or 2 days' duration, either in the bank or at convenient points in the district, inviting officers and directors of national farm loan associations and secretary-treasurers to attend. The main purpose of these meetings was to give the association officers and directors an analysis of the financial condition, the year's operating statement, general policies and major problems of the bank, and to discuss the current problems of the associations. The discussions emphasized the close relationship of association management with bank policies and operations. These group meetings have developed much good will and have promoted a closer relationship between the local associations and the banks, which in turn is resulting in more efficient local association management.

PRODUCTION CREDIT CORPORATIONS

The 12 production credit corporations—one established in each Farm Credit district under provisions of the Farm Credit Act of 1933—perform three principal functions: organizing, capitalizing in part and supervising production credit associations. Most of their time during 1937 was devoted to the third major function. This supervision consists in formulating and carrying out policies for the

regulation of general management, credit, educational and training efforts, accounting and office procedure, and assisting the associations in reducing costs and rendering prompt and competent service to borrowers.

The corporations themselves do not make loans. Most of their funds are used to provide a portion of the capital of the production credit associations located in their respective districts. The financing of associations' loans is done through the loan and discount facilities of the 12 Federal intermediate credit banks.

CAPITAL

The capital stock of the corporations has been subscribed by the Governor of the Farm Credit Administration and is held by him on behalf of the United States. The outstanding capital stock of the 12 production credit corporations in the amount of $120,000,000 did not change during the calendar year 1937, such capital stock ranging in amounts from $8,500,000 in the New Orleans, Omaha, and Houston districts to $13,500,000 in the Columbia, S. C., district.

The amount of capital stock of a corporation is determined by the credit needs in the district served and may be increased or decreased by the Governor in accordance with his determination of such needs. Each corporation is required by law to maintain the amount of class A stock of each production credit association in its district at approximately 20 percent of the actual, or expected, volume of loans made or to be made by the association. However, the Governor may permit additional purchases by the corporation of class A stock in an association when conditions warrant. The remaining capital of the corporations is invested in approved securities; the income derived from them is used to pay their operating expenses.

The production credit corporations have given thorough study to the 1938 budget of each production credit association for the purpose of eliminating unnecessary expenditures and reducing to a minimum the administrative cost of the credit service through the associations.

A consolidated statement of condition of the 12 production credit corporations as of December 31, 1937, appears as table 24 of the appendix.

PRODUCTION CREDIT ASSOCIATIONS

Production credit associations are local cooperative organizations of farmers, chartered by the Governor of the Farm Credit Administration under the provisions of the Farm Credit Act of 1933.

NUMBER OF ASSOCIATIONS

On December 31, 1937, there were 544 production credit associations actively engaged in supplying the short-term credit needs of

farmers and stockmen throughout continental United States and Puerto Rico. Two associations were liquidated during the year and six were in process of liquidation as of December 31, 1937. Also, five associations were eliminated through consolidations during the year. Wherever it becomes evident that an association does not have a sufficient volume of business to warrant its continuing as originally organized, it is either liquidated or consolidated with an adjacent association, the territory served by it being allocated to the jurisdiction of another association or to the one absorbing it. In some districts territories were reallocated to different associations, in practically every instance for the convenience of the borrowers and to correct operating problems. Six new associations were organized during the year. By reason of new charters granted, consolidation and liquidation, the 549 associations in operation on December 31, 1936, were reduced to 544 at the end of the year, excluding 6 in liquidation.

The territory served by each association usually includes several counties; as a result some farmers are rather a long distance from the association's headquarters. Because of this, action has been taken to establish local representatives at convenient places throughout the association's territory to render more prompt and convenient service to the borrowers.

CAPITAL STOCK

The capital stock of a production credit association is divided into class A and class B stock. Class A stock, which is nonvoting but which is preferred as to assets upon liquidation, is purchased principally by the production credit corporation and is also available for purchase by private investors. Class B stock may be purchased only by the farmer-borrower. It has all voting rights, with each holder entitled to one vote. This part of the capital stock is paid in as loans are made, each borrower being required to own class B stock in an amount equal in fair book value not to exceed par at $5 on $100 or fraction thereof of the amount of the loan.

The par amount of capital stock of all production credit associations on December 31, 1937, was $89,750,739, of which $13,391,162 or 14.9 percent represented class B stock owned by 255,472 farmer-members of associations, and $76,359,577 or 85.1 percent represented class A stock held by production credit corporations and private investors. On the same date last year, the total par amount of capital stock outstanding was $85,844,495 of which $10,754,187 or 12.5 percent represented class B stock. Class A stock and class B stock share equally in any dividend disbursements. The amount of capital stock and the number of class B stockholders, by States, as of December 31, 1937, is shown in table 25 of the appendix.

LOANS

Production credit associations make loans for a wide range of farm production needs and, where the farm income and security justify the expenditure, for home improvements and living expenses. Purposes for which loan funds may be used include the production, harvesting and marketing of crops; the breeding, feeding, and fattening of livestock; poultry raising; repairs, alterations, and improvements to farm buildings in general and the liquidation of any indebtedness originally incurred for any general agricultural purpose. Loans may also be made to purchase seed, feed, fertilizer, spray material, farm machinery or supplies; cattle, sheep and poultry; and to hire farm labor.

Farmers and stockmen used the associations' credit services to a greater extent during 1937 than during any previous year. There were 245,799 loans closed during the year 1937, on which advances (including renewals) aggregated $286,577,842; during 1936, 234,651 loans were closed and advances (including renewals) aggregated $228,090,206. Since their organization the associations have closed a total of 834,696 loans on which advances (including renewals) aggregated $818,217,225 to December 31, 1937. Practically all renewals represent extensions of credit to finance range livestock, dairy, or general farming operations which, because of their continuing nature, ordinarily require credit for a longer period than that for which initial loans are made by the associations.

At the end of the year 144,729 loans were outstanding, aggregating $138,168,896 compared with $105,211,954 on the same date last year. The seasonal peak for 1937 in the amount of loans outstanding was $163,552,931 on July 31. This amount also represented the all-time peak volume since the associations were organized. Over 82 percent of the 544 associations in operation on December 31, 1937, reported a new peak in loans outstanding at some time during the year.

Table 26 of the appendix shows the number and amount of applications received and loans closed during 1937 and loans outstanding at the year's end by States. Table 27 of the appendix shows the number and amount of applications received, loans closed and loans outstanding for specific periods from organization through December 31, 1937.

INCOME AND EXPENSE

Total income of all production credit associations for the year 1937 amounted to $9,393,896; of this amount $6,021,415 represented operating income (net interest income from loans, loan service fees and miscellaneous income) and the remaining $3,372,481 represented income from the investment of class A and class B stock proceeds and accumulated earnings. Total operating expenses, excluding charge-offs and provision for estimated losses, amounted to $5,739,766. Net

earnings before consideration of losses charged off and provision for estimated losses amounted to $3,654,130. After consideration of charge-offs and estimated losses represented by valuation reserve adjustments, which amounted to $399,302, net income for the year totaled $3,254,828. The total surplus reserves of all associations amounted to $8,581,644 on December 31, 1937, or 9.6 percent of total capitalization. Provisions for estimated losses against loans outstanding on the same date amounted to $1,302,278 or 0.9 percent of the total balance outstanding. In addition, there were provisions for estimated losses of accrued interest in the amount of $143,777 and similar reserves of $53,160 against personal and real property.

The total amount of advances (including renewals) by associations from date of organization to December 31, 1937, aggregated $818,217,225 and the total charge-offs during the same period amounted to $713,431. Table 28 of the appendix shows, by districts, the number and amount of loans examined, the number and amount of reserves against probable loan losses and the number and amount of charge-offs on determined losses—as approved by the associations—based on the 1937 credit examinations. Table 30 of the appendix shows the combined statement of condition of all the associations on December 31, 1937.

SOURCE OF LOAN FUNDS

Each production credit association is authorized by the Farm Credit Act of 1933 to borrow from and rediscount paper with the Federal intermediate credit bank of its district. By rediscounting with the Federal intermediate credit bank the notes received from the farmer-borrowers the association secures its loanable funds. These notes become a part of the collateral for the bank's debentures sold in the investment markets. Thus, the system operates to bring farmers collectively to the central money markets for credit at a cost consistent with sound business practice.

On December 31, 1937, the total indebtedness of the production credit associations to the Federal intermediate credit banks for loans and discounts amounted to $134,164,877, of which $15,138,531 represented direct loans secured by bonds purchased with the proceeds from the sale of the associations' capital stock. The total amount of rediscounts with the banks as of December 31, 1937, represented 86.1 percent of the total balance of loans outstanding in the association. The remaining 13.9 percent of loans outstanding not rediscounted were carried direct by the associations.

To expedite its lending operations each association may utilize its cash on hand or borrow direct from the Federal intermediate credit bank of the district. Whenever a loan is approved the proceeds may be disbursed without awaiting the forwarding of the farmer's note for discount to the Federal intermediate credit bank. Offerings to the

credit bank which are not rediscounted by that institution and which cover loans already closed by the association are carried direct by the association itself.

INTEREST CHARGES

Regulations limit to 3 percent above the discount rate charged by the Federal intermediate credit bank the maximum rate of interest charged to borrowers by production credit associations unless a wider spread is specifically authorized by the Governor of the Farm Credit Administration. The discount rate of the Federal intermediate credit banks continued at 2 percent in the continental United States during 1937; thus, the interest rate charged borrowers by production credit associations during that period was 5 percent per annum. In Puerto Rico both the discount rate of the credit bank and the interest rate charged by the production credit association there was one-half of 1 percent higher than that prevailing in the continental United States.

Loan proceeds are usually disbursed on a budget plan so that the borrower may get the money as he needs it and pay it back when his products are sold under an orderly marketing plan. As a borrower pays interest only for the actual period of time he has the money, substantial interest savings may be made.

OPERATIONS

In cooperation with the production credit corporations, the associations have continued their efforts throughout the year toward rendering more prompt and convenient credit service and reducing costs to borrowers. During 1937 local representatives of associations continued to be appointed to serve borrowers in outlying counties so as to bring the credit services of the associations into closer proximity to the borrowers. Surveys of associations' operations were completed during the year in the remaining four districts not covered by last year's surveys.

As a result of these surveys changes and improvements were made in organization, procedure and office operations with a view to bringing about a reduction in the cost and in the length of time required to close loans. These surveys were made with a view to increasing the efficiency of operation, reducing the expense of association management, and increased convenience of credit service to borrowers. These objectives were achieved through simplification, elimination, and combination of various forms used in closing loans and through the simplification of the accounting system and of procedure in handling applications.

During the year each production credit corporation made a thorough credit examination of all associations in its district. An analysis

and evaluation of each loan was arrived at on a basis of prevailing factors affecting the loan at the time of examination. Loans were classified to indicate the extent to which they qualified as entirely satisfactory. Such classification indicated the degree of supervision and attention deemed necessary for each loan under review to insure its repayment.

These examinations were conducted by qualified examiners of each corporation under the joint direction of the corporation and the Washington office. The result of these examinations aided the management of each association to effect necessary improvement in all phases of lending procedure. It formed the basis for the establishment of an appropriate loan reserve and brought to the attention of the supervising units any conditions deserving of further consideration in the development of sound, well-managed associations.

EDUCATIONAL PROGRAM

Since important responsibilities are placed upon the local production credit associations in the production credit system, it has been necessary to develop a comprehensive educational and training program to assist the stockholders, officers, and employees of the associations to assume their responsibilities intelligently and efficiently. This program divides itself logically into three parts: membership education, director and officer education, and employee training.

MEMBERSHIP EDUCATION

For the stockholder-members of production credit associations to assume intelligently their responsibility of electing directors from among their number, they must be kept informed regarding the financial condition and progress of their associations. Especial attention has been given to developing effective stockholders' meetings since directors are elected at these meetings where each stockholder who is present has only one vote regardless of the number of shares of stock owned.

In 1937 the annual stockholders' meetings of production credit associations were attended by 115,496 persons, including stockholders and guests. This was an average attendance of 211 persons per meeting and compares with an attendance of 157 persons per meeting in 1936 and 108 per meeting in 1935.

The printed annual reports which were prepared by almost all associations and distributed to their stockholders were another important means of educating members. These reports showed in simplified and understandable form the association receipts from different sources and expenses for different purposes as well as a simplified balance sheet. A short narrative section pointed out the important items.

In addition to their annual meetings and the printed annual reports, many associations sent their members special letters reporting progress during the year, and inclosed educational circulars in outgoing mail. Others held special stockholders' meetings in local communities.

DIRECTOR AND OFFICER EDUCATION

During the year the production credit association directors and officers were called together in groups of from 30 to 50 persons for 2-day conferences on association problems. The directors and officers of each association learned from the discussions the manner in which other associations were successfully meeting the problems with which they were confronted in their own association. Seventy-five such conferences were held throughout the country. They were attended by 2,161 association directors in addition to the 550 secretary-treasurers.

In addition to the 2-day conferences of directors and officers, several districts held conferences of association presidents and secretary-treasurers to discuss detailed operating problems. Corporation officers also met with the individual boards of directors and executive committees of production credit associations to work out methods of solving particular problems facing the individual associations.

EMPLOYEE TRAINING

During the year numerous schools were held for training association employees. Both materials and methods were developed for further systematic training of association employees during the coming year. Table 29 in the appendix shows the number of persons attending the annual stockholders' meetings, by State and by district, during the years 1935, 1936, and 1937.

FEDERAL INTERMEDIATE CREDIT BANKS

The 12 Federal intermediate credit banks were organized in 1923 under title II of the Federal Farm Loan Act. They are authorized to discount notes of farmers and stockmen for production credit associations, regional agricultural credit corporations, State and national banks, privately capitalized agricultural credit corporations, incorporated livestock loan companies, and similar organizations, with their indorsement; and to make loans to such institutions on the security of paper eligible for discount. Loans also may be made to production credit associations and banks for cooperatives on the security of such collateral as may be approved by the Governor of the Farm Credit Administration.

The Federal intermediate credit banks may make loans to farmers' cooperative marketing, purchasing, and business service associations. They are authorized, also, to discount loans made to such cooperatives

when indorsed and offered for discount by the banks for cooperatives. As a result of authority given by the Farm Credit Act of 1935, most of the loans to cooperative associations such as had been made in the past by the Federal intermediate credit banks now are made by the banks for cooperatives and offered by them to the intermediate credit banks for discount. The credit banks discount for the banks for cooperatives only such of their loans as are secured by commodities. They do not discount physical facility or operating capital loans for these banks.

In rediscounting paper a bank for cooperatives deals with the intermediate credit bank in its district. It is customary, however, for cooperative associations of national or broad regional scope to apply for their needed financing to the Central Bank for Cooperatives in Washington rather than to any of the district banks. A loan made by the Central Bank of the type ordinarily discounted by the credit banks is offered for discount only to the Federal Intermediate Credit Bank of Baltimore. When the size of the loan or other circumstances warrant, this institution offers to one or more of the other intermediate credit banks the right of participation.

Federal intermediate credit banks are not authorized to make loans to individuals, receive deposits, or otherwise conduct a general banking business.

MATURITIES OF LOANS DISCOUNTED

Maturities acceptable to the intermediate credit banks vary but usually coincide with normal marketing or liquidating seasons to permit note makers to complete the season's operations for which the credit is extended. Ordinarily, maturities range from 3 months to 1 year. Under the law they may not exceed 3 years.

INTEREST AND DISCOUNT RATES

Each Federal intermediate credit bank is authorized, with the approval of the Intermediate Credit Commissioner, to establish from time to time rates of discount and interest which—except with the approval of the Governor of the Farm Credit Administration—may not exceed by more than 1 percent per annum the rate borne by the last preceding issue of debentures issued by it or in which it participated. Under existing regulations a note is not eligible for discount, or as collateral for loans, if the rate of interest charged the maker exceeds the bank's discount rate by more than 3 percent per annum.

On December 31, 1937, the loan and discount rate of all Federal intermediate credit banks was 2 percent per annum in the continental United States and 2½ percent in Puerto Rico. These rates have continued in force since May 16, 1934, and are the lowest since the establishment of the banks.

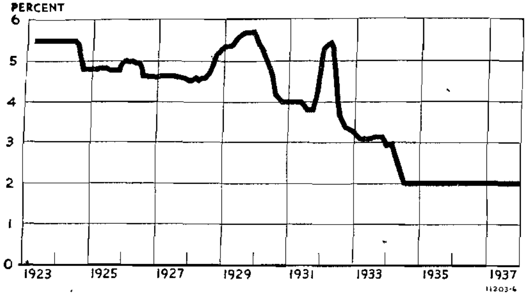


FIGURE 9.

INTEREST AND DISCOUNT RATES FROM TIME OF ORGANIZATION.

VOLUME OF BUSINESS

During 1937 the Federal intermediate credit banks extended 449,566,194 of credit to cooperative associations, banks for coopera-ives, and financing institutions, compared with $381,660,510 during 936. Of the total volume of business in 1937, loans to and discounts or financing institutions amounted to $407,281,111, or 90.6 percent; oans to cooperative associations totaled $5,129,400, or 1.1 percent; nd loans aggregating $37,155,683, or 8.3 percent, were discounted or banks for cooperatives.

Of the total volume of credit extended to financing institutions in 937, $305,822,896, or 75.1 percent, represented loans to and dis-ounts for production credit associations; and $101,458,215, or 24.9 ercent, for privately capitalized commercial banks, agricultural redit corporations and livestock loan companies. No notes were dis-ounted for the regional agricultural credit corporations during 1937, epayment of all indebtedness of these corporations to the inter-ediate credit banks having been completed during October 1935.

The major expansion in the operations of the banks continued to riginate with production credit associations. Loans to and discounts or production credit associations in 1937 totaled $305,822,896, com-ared with $241,428,462 in 1936 and $210,670,315 in 1935. During 937 the Federal intermediate credit banks extended credit to four ivately capitalized financing institutions, which had not previously otained credit from them. On the other hand, 16 corporations quidated their lines of credit during the year and discontinued dealing ith the banks.

On December 31, 1937, outstanding loans and discounts of the Federal intermediate credit banks totaled $207,471,502, of which $176,503,476, or 85.1 percent, represented credit extended to financing institutions; $1,813,471, or 0.9 percent, consisted of loans to cooperative associations; and $29,154,555, or 14 percent, discounts for the banks for cooperatives.

Of the amount outstanding for financing institutions, $136,039,655, or 77.1 percent, represented production credit association loans and discounts, and $40,463,821, or 22.9 percent, credit extended to other financing institutions.

Figure 10 shows the amount of loans and discounts of Federal intermediate credit banks outstanding during the years 1933 to 1937, inclusive, classified by type of institution.

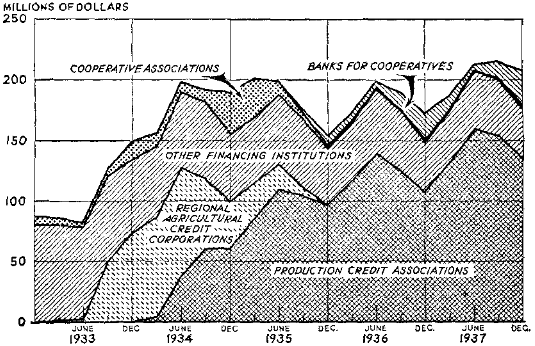


FIGURE 10.

FEDERAL INTERMEDIATE CREDIT BANK LOANS AND DISCOUNTS, BY HALF-YEARS.

Additional data relating to the volume of business handled during the year are given in tables 38 to 43 of the appendix.

IMPROVEMENTS IN PROCEDURE

Continued progress was made during the year in the refinement of procedure and methods, which enabled the banks to reduce their operating costs and at the same time to maintain organizations capable of handling a larger volume of business more expeditiously than in 1936. This was accomplished without sacrificing their credit standards in any degree.

CAPITAL

The aggregate amount of capital stock and paid-in surplus of the 12 Federal intermediate credit banks remained at $70,000,000 and $30,000,000, respectively, throughout 1937. The Federal Farm Mortgage Corporation Act provides that the amount of the capital stock and paid-in surplus of any Federal intermediate credit bank may be increased or decreased from time to time by the Governor in accordance with the credit needs of eligible borrowers from the banks.

DEBENTURES

The Federal intermediate credit banks are authorized, subject to the approval of the Farm Credit Administration, to issue and sell collateral trust debentures or other similar obligations having a maturity of not more than 5 years. It is by the sale of such debentures that the banks obtain the major portion of their loan funds.

Debentures so issued by the intermediate credit banks are instrumentalities of the Government of the United States; but the Government assumes no liability, direct or indirect, for such debentures. They and the income derived therefrom are exempt from Federal, State, municipal, and local taxes, including surtaxes.

Prior to October 1935 debentures of the individual banks were issued, the last of which matured and were retired September 15, 1936. The banks now issue consolidated debentures only, for which the 12 institutions are jointly and severally liable as to both principal and interest. It is contemplated that all debentures issued in the future will be of the consolidated type. Under the law the aggregate amount of outstanding debentures and similar obligations issued individually by any Federal intermediate credit bank, together with the amount of outstanding consolidated debentures issued for its benefit and account, may not exceed 10 times the surplus and paid-in capital of such bank.

Debentures ordinarily are issued for terms of from 3 to 12 months, with interest payable at maturity. The par amount of debentures issued during 1937 was $354,775,000, of which $220,725,000, or 62.2 percent, carried maturities of 6 months or less. The balance, amounting to $134,050,000, or 37.8 percent, carried maturities of more than 6 months. Of the total amount, 34.3 percent was issued with 9-month maturities, the maximum maturity issued during the year.

Debentures usually are sold between the 1st and 10th of each month for delivery on the 15th. For the present, they are issued in denominations of $5,000, $10,000, $50,000, and $100,000.

The Federal intermediate credit banks were able throughout 1937—as during the preceding 2½ years—to sell debentures bearing interest at the rate of 1½ percent per annum. The cost of money during the year was less than the face rate of debentures, enabling the banks to maintain their discount rate at 2 percent in the continental United States.

Debentures maturing in not more than 6 months are eligible for purchase by the Federal Reserve banks and also may be accepted by them as collateral for 15-day loans to member banks under section 13 of the Federal Reserve Act. Debentures of all maturities are eligible as collateral for advances by Federal Reserve banks to member banks, under section 10 (b) of the Federal Reserve Act for periods not exceeding 4 months. Advances under section 10 (b) are made at a higher rate than those under section 13.

Federal intermediate credit bank debentures are lawful investments, and may be accepted as security for all fiduciary, trust, and public funds held under the authority or control of officers of the United States. They also are approved as security for deposits of postal savings funds and are legal investments in various States, including the State of New York, for funds of savings banks, insurance companies, and for other fiduciary and trust funds.

By a provision of the Farm Credit Act of 1937, each Federal intermediate credit bank was given the power, subject to the approval of the Farm Credit Administration, to buy for its own account any debentures or similar obligations issued by or for the benefit and account of such bank or other Federal intermediate credit bank or banks; and (1) to hold until maturity any such debentures or similar obligations or (2) to retire before maturity any such debentures or similar obligations issued by it or for its benefit and account. Theretofore the power of a credit bank in this respect was confined to the open market purchase, at or below par, of debentures or obligations issued by it, and to their retirement at or before maturity.

Debentures outstanding on December 31, 1937, totaled $174,950,000. Further data relative to the amounts of debentures issued and outstanding are given in table 44 of the appendix.

In addition to issuing debentures, Federal intermediate credit banks, with the approval of the Farm Credit Administration, may rediscount eligible paper with Federal Reserve banks, and may sell paper in the open market with or without their indorsement. With the approval of the Farm Credit Administration, a Federal intermediate credit bank may borrow from, or rediscount paper with, another intermediate credit bank or with any other banking institution. Inter-

bank loans during 1937 aggregated $16,675,000, resulting in a substantial saving of interest to the system as a whole through the utilizing of surplus funds which otherwise might have been idle.

FRANCHISE TAXES

An amendment to title II of the Federal Farm Loan Act approved May 19, 1932, and effective as of January 1, 1932, provided that no franchise tax would be payable to the United States by an intermediate credit bank until its earned surplus amounted to 100 percent of its subscribed capital stock. Under this provision, no franchise taxes were paid by the credit banks for the years 1932 to 1936, inclusive.

However, the Farm Credit Act of 1937 provided that, subject only to review and approval by the Farm Credit Administration, at the end of its fiscal year and after all necessary expenses and costs of operation for such fiscal year have been paid or provided for, each Federal intermediate credit bank shall apply its net earnings then remaining in the following manner: First, to making up any losses in excess of its reserves against unforeseen losses and assets of doubtful value; second, to the elimination of any impairment of its paid-in capital and paid-in surplus; third, to the creation and maintenance of reserves against unforeseen losses and assets of doubtful value in such amount as its board of directors may prescribe; fourth, to the payment of 25 percent of the amount then remaining to the United States as a franchise tax; and fifth, to the payment of the remaining net earnings into its surplus account. Franchise taxes paid to the Treasurer of the United States for the fiscal year ended December 31, 1937, aggregated $741,274.93.

FINANCIAL CONDITION AND EARNINGS

The increase in surplus earned during 1937 was $3,075,409.14 after the payment of $741,274.93 as a franchise tax. This compares with $2,423,813.35 for 1936 when no franchise tax was payable. In addition, during 1937, there was transferred to reserve for contingencies from valuation reserves $1,100,000, making the net gain from all sources $4,175,409.14 after the payment of the franchise tax.

Full reserves are maintained against the asset value of furniture, equipment, automobiles, deposits in closed banks, real estate acquired in the liquidation of paper, and similar items. Amounts written off during 1937 aggregated $383,416, while recoveries amounted to $39,559. In addition to amounts written off for established losses, fully adequate reserves were maintained against possible losses in loans and discounts. The net amount of losses charged off from organization in 1923 to date, including reserves for estimated losses, is twenty-eight one-hundredths of 1 percent of the total volume of credit extended during this entire period.

The principal assets and liabilities of the banks, as of December 31, 936 and 1937 are shown in the following statement:

sset and liability items of the 12 Federal intermediate credit banks, Dec. 31, 1936 and 1937

	Dec. 31, 1936	Dec. 31, 1937
ASSETS		
oans and discounts:		
Financing institutions (net)	$146, 696, 732	$175, 802, 596
Cooperative associations	1, 640, 765	1, 813, 471
Banks for cooperatives	22, 313, 575	29, 154, 555
ash on hand and in banks	8, 875, 621	8, 244, 561
. S. Government obligations, direct and fully guaranteed [1]	73, 215, 000	73, 404, 456
ther assets (net)	2, 342, 189	2, 287, 618
Total	255, 085, 882	290, 707, 257
LIABILITIES		
nmatured debentures outstanding	143, 950, 000	174, 950, 000
ther liabilities	2, 750, 286	3, 196, 252
apital stock paid in	70, 000, 000	70, 000, 000
urplus paid in	30, 000, 000	30, 000, 000
urplus earned	8, 385, 596	11, 461, 005
eserve for contingencies		1, 100, 000
Total	255, 085, 882	290, 707, 257

[1] Carried at cost or par, whichever is lower.

A consolidated statement of condition and individual statements f the 12 Federal intermediate credit banks are given in tables 45 and 7 of the appendix.

BANKS FOR COOPERATIVES

The Central Bank for Cooperatives and 12 district banks for co- peratives were established in 1933 pursuant to the Farm Credit Act of hat year to extend credit on a business basis to farmers' cooperative ssociations. The Central Bank for Cooperatives has its headquarters n Washington, D. C., and a district bank is located in each Farm redit district, in the same building with the other permanent credit gencies.

ELIGIBLE BORROWERS

To be eligible to borrow from a bank for cooperatives, a cooperative ssociation must be one in which farmers act together in:

1. Processing, preparing for market, handling, or marketing farm roducts;

2. Purchasing, testing, grading, processing, distributing, or furnish- ng farm supplies; or

3. Furnishing farm business services.

The act also specifies that to be eligible an association (*a*) must be perated for the mutual benefit of its members; (*b*) must not do

business with nonmembers in an amount greater in value than business with members; and (*c*) no member may have more than c vote in the affairs of the association or be entitled to receive divider on stock or membership capital in excess of 8 percent a year. general requirement of the banks is that at least 90 percent of t voting rights must be owned by producers.

CAPITALIZATION

The law provides that the capital stock of the banks for cooperati shall be in such amount as the Governor of the Farm Credit Adm istration may determine is necessary to meet the credit needs eligible borrowers from the banks. Upon their establishment, t capital stock paid in to the Central Bank for Cooperatives w $50,000,000 and for the district banks $5,000,000 each. From ti to time it has been found desirable to make additional subscriptio payments on which are made from the revolving fund authorized the Agricultural Marketing Act. On November 29, 1937, the Acti Governor of the Farm Credit Administration subscribed an additio $3,000,000 to the capital of the Berkeley Bank for Cooperativ During 1937 the Government paid-in capital of the Central Bank Cooperatives was reduced by $7,000,000 and the paid-in Governme capital of the district banks was increased by $14,000,000. At t end of 1937, $3,500,000 of capital subscribed to three of the distr banks for cooperatives remained unpaid.

Capitalization of the banks for cooperatives on December 31,19 is shown in the following table.

Capital of the banks for cooperatives paid in by U. S. Government and by borrowers, Dec. 31, 1937

Bank	Capital paid in by Government	Capital paid in by borrowers	Total paid capital
Springfield	$8,000,000	$249,100	$8,249
Baltimore	7,000,000	159,500	7,159
Columbia	6,000,000	117,800	6,117
Louisville	8,000,000	153,800	8,153
New Orleans	7,000,000	259,600	7,259
St. Louis	6,000,000	127,600	6,127
St. Paul	8,000,000	287,400	8,287
Omaha	7,000,000	143,000	7,143
Wichita	7,000,000	172,400	7,172
Houston	6,500,000	208,300	6,708
Berkeley	13,000,000	579,300	13,579
Spokane	11,000,000	385,000	11,385
Total	94,500,000	2,842,800	97,342
Central Bank	50,000,000	709,500	50,709
Grand total	144,500,000	3,552,300	148,052

It is provided by law that each cooperative association receiving an operating capital or facility loan must purchase stock in the bank equal to approximately 5 percent of the amount of the loan. In the instance of commodity loans the amount of stock required to be acquired is approximately 1 percent of the amount of the loan. In jurisdictions where stock subscriptions by cooperative associations are contrary to State law, cooperative associations may make payments to the guaranty fund of the banks. The capital interest in the banks for cooperatives thus acquired may be retired upon final liquidation of the indebtedness.

DIVISION OF LENDING AUTHORITY

In general, the Central Bank for Cooperatives serves farmers' cooperative associations of national or broad regional scope and the district banks finance associations whose activities are confined to their respective districts. Applications received by the district banks for amounts in excess of $500,000 are referred to the Cooperative Bank Commissioner. Where the loan requested does not exceed 10 percent of the district bank's capital and surplus—in the case of operating capital and facility loans, and 20 percent of its capital and surplus for commodity loans—permission is usually granted for the district bank to make the loan. In some cases, however, the application may be referred to the Central Bank for Cooperatives.

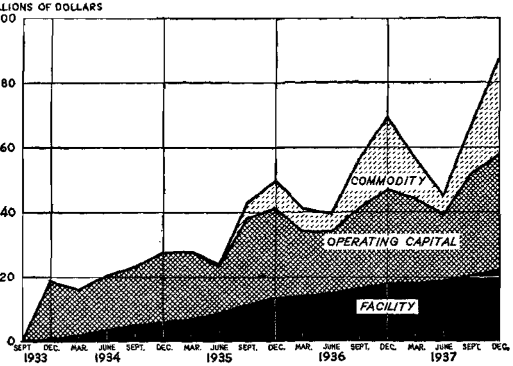


FIGURE 11.

LOANS, BY TYPE, OUTSTANDING THROUGH THE BANKS FOR COOPERATIVES.

Figure 11 shows loans outstanding through the banks for cooperatives.

During 1937 the district banks received applications for several large loans, and a procedure was developed whereby the Central Bank participated in such extensions of credit. In such cases the loans were made and serviced by the district bank, which, in turn, sold an interest in the note, or notes, to the Central Bank. This procedure was facilitated by an amendment (secs. 35 and 36) to the Farm Credit Act of 1933 enacted in 1937. During the year the Central Bank for Cooperatives purchased an interest in four loans of the district banks for cooperatives in the total amount of $9,628,314. The New Orleans Bank for Cooperatives also participated in a loan made by the Central Bank for Cooperatives to a large association with its chief office located in the territory of the New Orleans bank.

TYPES OF LOANS

The banks for cooperatives make available to eligible borrowers three distinct types of loans, known respectively as commodity loans, operating capital loans, and facility loans.

Commodity loans, the interest rate on which continued at 2 percent during 1937, are of short duration and are made on the security of staple farm products and farm supplies. A first lien on the products or supplies is given as security, and their value must be sufficient at the time the loan is made to afford an adequate margin of security without the necessity for additional collateral of other kinds. Since the passage of the Farm Credit Act of 1935, the banks for cooperatives have offered their commodity loans in excess of $20,000 to the Federal intermediate credit banks for rediscount. As of December 31, 1937, commodity loans in the amount of $29,104,039 were rediscounted with the Federal intermediate credit banks.

Operating capital loans are of relatively short duration and are typically used to supplement the borrowing association's own working capital during times of seasonal activity. On loans of this character the interest rate continued at 3 percent during 1937. There are no statutory requirements regarding the security for operating capital loans; liens on real estate, equipment or inventories are accepted.

Facility loans, which during 1937 continued to be made at an interest rate of 4 percent per annum, are available for financing or refinancing the acquisition of land, buildings, and equipment. These loans are generally secured by a first lien on the property itself with such additional collateral as may be required. The law specifies that no loan on physical facilities may be made in excess of 60 percent of the appraised value of the security offered. The term of a facility loan is generally longer than that of other types of loans made by the banks for cooperatives. The statute limits the term to 20 years; but

in actual practice most such loans are amortized over a 10-year—or shorter—period.

The interest rates charged in Puerto Rico are at present one-half of one percent higher for each type of loan than those in effect in the continental United States.

The number, amount, and classification of loans and commitments on the books of the banks are given in tables 31 to 36 of the appendix.

CREDIT STANDARDS

All loans made by the banks for cooperatives must have an acceptable basis of repayment. An effort has been made to adapt repayment schedules to the types and requirements of the enterprises financed. The repayment of commodity loans is generally accomplished by the application of all, or a substantial part, of the sales proceeds of the collateral. Operating capital loans are usually repaid by setting aside a fixed amount, or retain, from each unit of product handled by the borrowing association, final liquidation being accomplished at the end of the marketing season. Sometimes the term of operating capital loans extends over a longer period. Facility loans are generally repaid in installments over the life of the loans.

Under the law no loan may be made by the banks for cooperatives unless the applicant association has an organization and management and business policies all of such character as to insure the reasonable safety of the loan. During 1937 the banks for cooperatives gave attention to the strengthening of borrowing cooperatives' structures in their districts, thereby safeguarding their loans and, at the same time, rendering assistance to the borrowing associations. Before extending credit the banks for cooperatives investigate the economic need, membership support, capital structure, and operating efficiency of applicants.

During the year the banks for cooperatives stressed the revolving capital plan of capitalization for farmers' cooperative associations. Under this method an amount is retained out of the price of all commodities sold or supplies purchased through the association. The amount thus retained for capital and credited to the account of each producer or purchaser accumulates year after year. When the capital thus accumulated is adequate for the association's needs the management then uses the current year's retains to retire at par the oldest outstanding stock—or other evidence of equity—that had been issued to the members on account of amounts retained for capital. Thus the capital of a cooperative association is kept in balance with its requirements and the capital interest of inactive members is ultimately retired. Through this plan new members also contribute to the association's capitalization in proportion to the business they transact with it.

VOLUME OF BUSINESS

The 12 district banks for cooperatives and the Central Bank for Cooperatives advanced $97,584,498 during 1937 as compared with $81,294,454 in 1936 and $66,347,752 in 1935. Of the $312,742,095 that had been advanced from the time the banks were organized, $224,743,960 or 71.9 percent, had been repaid by the close of 1937. On December 31, 1937, the loans of the 13 banks outstanding amounted to $87,633,166, as compared with $69,647,241 on December 31, 1936, and $50,013,329 at the end of 1935.

As illustrated by Figure 12, 1,554 associations were borrowers from the district banks as of December 31, 1937. Reserves for loans were being maintained in the amount of $1,324,088 at the close of 1937, representing 1.5 percent of the total amount outstanding. Loans aggregating $103,538 were charged off or transferred from the active loan accounts during the year.

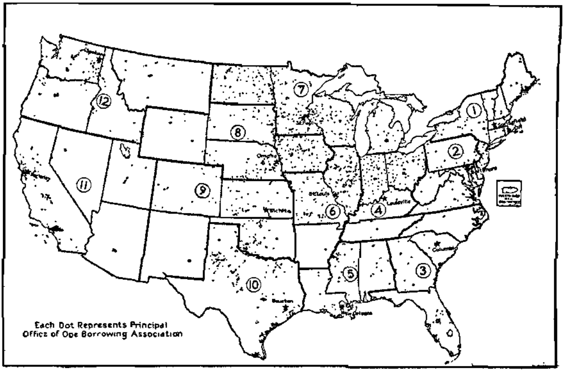


FIGURE 12.

LOCATION OF COOPERATIVES BORROWING FROM THE DISTRICT BANKS FOR COOPERATIVES.

The net earnings of the banks for the year 1937, all of which was carried to surplus, totaled $2,005,812.

During 1937 only one district bank for cooperatives borrowed from the Central Bank. The amount borrowed, $150,000, was repaid before the close of the year.

Other financial and statistical data are presented in table 37 of the appendix.

1937 AMENDMENTS TO THE FARM CREDIT ACT OF 1933

Prior to the passage of the Farm Credit Act of 1937, cooperatives that retained their capital stock or subscriptions to the guaranty fund in the district banks for cooperatives after their loans had been repaid were not authorized to vote for a director of the bank in which they owned a capital interest. The Farm Credit Act of 1937 provides that such nonborrowing stockholders may vote in the election of a director of the Farm Credit Board in their respective districts.

Participation by the Central Bank for Cooperatives and by any of the district banks in loans made by any one of them was facilitated by the Farm Credit Act of 1937. This act provides that a bank for cooperatives may buy from another bank for cooperatives "any interest in" a note, draft, bill of exchange, debenture, or other obligation. Previously it was necessary for a participating bank to buy the specific notes or obligations of a borrowing association when it participated with another bank for cooperatives in the extension of credit.

While the Central Bank for Cooperatives is authorized to issue debentures and discount loans of the district banks for cooperatives, it has not yet been found necessary to do so. To provide for short-term requirements for additional loan funds, the Farm Credit Act of 1937 authorized the banks for cooperatives to borrow from commercial banks. This provision, however, was not utilized during 1937.

STOCKHOLDERS' MEETINGS

The district banks for cooperatives continued during 1937 the policy of holding stockholders' meetings or cooperative conferences in their districts. In most instances two or more such meetings were held in each district and an opportunity was thus afforded for discussion of all phases of farmers' cooperative endeavors. The credit standards of the banks were also explained and discussed.

FARMERS' COOPERATIVE ASSOCIATION SURVEY

During 1937 the banks for cooperatives conducted a Nation-wide survey of all farmers' cooperative associations. The results of the survey are of particular importance because the information developed will assist in determining future policies and in planning the operations of the banks. Furthermore, with this fund of current information the banks will be in a better position to advise with cooperatives on their problems. One objective of the survey was to take inventory of all the elements making up the pattern of agricultural cooperation in the United States. Hence, aside from being of importance to the banks and to the cooperatives exclusively, the survey will result in a

comprehensive statistical summary of information on the subject for the use of educators and others interested in this phase of agricultural endeavor. It is believed that this survey is the most complete listing and analysis of cooperative associations that has yet been undertaken.

The survey itself was conducted by the district banks for cooperatives and coordinated through the office of the Cooperative Bank Commissioner, thereby attaining uniformity in procedure. The period from March through October was devoted principally to field work, in the course of which a record was obtained by means of a personal visit to the office of practically every farmers' cooperative association in the country. In some cases the requisite information was secured through correspondence. In many States the colleges of agriculture actively cooperated with the banks in the conduct of the survey.

The data assembled include information pertaining to type of organization; method of operation; membership requirements and participation; capital structure; and financial condition and need for credit. In regard to the uses of credit, the data include the amount of borrowed money used by the cooperative during each of the last 3 years, the source of such borrowings and interest rates paid.

FEDERAL FARM MORTGAGE CORPORATION

The Emergency Farm Mortgage Act of 1933, approved May 12 of that year, made available to the Land Bank Commissioner a fund of $200,000,000 to meet an urgent demand for credit which could not be provided by the existing permanent units of the farm credit system. The Federal Farm Mortgage Corporation Act, approved January 31, 1934, expanded these emergency facilities by establishing the Federal Farm Mortgage Corporation. The unexpended portion of the $200,000,000 fund allotted to the Land Bank Commissioner by the Emergency Farm Mortgage Act and the mortgages and credit instruments previously acquired under that legislation by the Land Bank Commissioner were transferred to the Corporation for the purpose of subscription to its authorized capital of $200,000,000.

The Corporation is authorized, subject to the approval of the Secretary of the Treasury, to issue and have outstanding at any one time bonds in an aggregate amount not exceeding $2,000,000,000. To accomplish its purposes the Federal Farm Mortgage Corporation is authorized to invest its funds in mortgage loans made by the Land Bank Commissioner under the provisions of the Emergency Farm Mortgage Act of 1933, as amended; and to aid in financing the Federal land banks through loans on the collateral of consolidated Federal farm loan bonds and other acceptable securities, and exchanges of the Corporation's bonds for such consolidated bonds issued by the 12 Federal land banks.

To meet the stress of emergency farm mortgage refinancing some of the outstanding bonds of the Federal Farm Mortgage Corporation were issued to the Federal land banks in exchange for consolidated Federal farm loan bonds for use in closing loans in lieu of cash. Likewise, in lieu of cash in closing loans, some of the outstanding Federal Farm Mortgage Corporation bonds were issued directly to Land Bank Commissioner borrowers and their creditors. This latter procedure, which was begun on March 26, 1934, and discontinued on August 5, 1935, resulted in a wide distribution of the bonds and placed them in the hands of many small investors throughout the United States. For additional information concerning Federal Farm Mortgage Corporation bonds, see table 48 of the Appendix.

As previously stated, one of the purposes for which the Corporation was created was to supply the funds necessary to satisfy the heavy demand for Commissioner loans, which, when made, become the property of the Federal Farm Mortgage Corporation. This demand was largely due to the fact that the Federal land banks were limited to loans of 50 percent of the appraised value of the land plus 20 percent of the appraised value of the insured permanent improvements thereon, whereas under the law the Land Bank Commissioner can lend up to 75 percent of the normal value of farm property as determined by appraisal. The Commissioner may make loans for the same purposes for which Federal land bank loans can be closed.

He is authorized under certain conditions to use "prudent investment value" in determining the loanable value of the farm property. A prudent investment value is permissible in cases where "the person occupying the property is not entirely dependent upon the income therefrom for his livelihood, but receives a part of his income from other dependable sources." In approving all Commissioner loans, consideration is given to whether the income of the borrower is sufficient to support his family, pay operating expense and fixed charges and discharge the interest and amortization payments on his loan.

In fulfilling his responsibility to those whose farms were threatened with foreclosure—as was contemplated under the Emergency Farm Mortgage Act—the Land Bank Commissioner found it necessary in numerous cases to close loans of the prudent investment type. Furthermore, it was found that there were numerous areas in the United States where, because of such factors as rapid erosion, continued drought or overflow, heavy drainage or irrigation district taxes and unmatured fruit groves or orchards, loans by the Federal land banks would have proven unduly hazardous to their financial structure and would not have been consistent with the sound business principles declared in the act under which the banks were organized. Conse-

quently, credit extended by an emergency organization was the only solution to the financial problem of many farmers in such areas. This means that inevitably the ultimate liquidation of such loans will be characterized by heavier losses than may be expected from loans which meet the more strict lending policy of the Federal land banks.

ORGANIZATION AND MANAGEMENT

A board of directors, consisting of the Governor of the Farm Credit Administration as chairman, the Secretary of the Treasury—or an officer of the Treasury designated by him—and the Land Bank Commissioner, is responsible for the administration and management of the Federal Farm Mortgage Corporation. The board of directors is authorized to adopt such bylaws, regulations, and amendments thereto as it deems necessary and may appoint such officers and employees as are required to carry out the powers and duties conferred upon the Corporation.

An executive committee of the Corporation, located at its principal office at Washington, D. C., consisting of the president, the executive vice president, a vice president, the treasurer, and the secretary and assistant treasurer, serves when the board of directors is not in session. The officers of the Corporation are officials or employees of the Farm Credit Administration and do not receive compensation directly from the Corporation. The Corporation reimburses the Farm Credit Administration for expenses advanced in its behalf.

In addition to the Washington staff, the Corporation has a district vice president in each of the 12 Farm Credit districts. In four of the districts, it has been necessary to appoint an additional representative to assist the district vice president in his work. They are employees of the Farm Credit Administration and receive no additional compensation from the Corporation. The Corporation has also designated in each district two employees of the Federal land banks as district disbursing officers, and two as assistant secretaries to serve without additional compensation for their services.

SERVICING OF FEDERAL FARM MORTGAGE CORPORATION ASSETS

Exclusive of the duties and discretionary powers delegated to the district vice presidents, as indicated below, the Federal land banks and the national farm loan associations act as agents of the Land Bank Commissioner and the Federal Farm Mortgage Corporation in performing all duties and powers incident to the closing and servicing of loans; and to the foreclosure, servicing, and sale of real estate. This is in accordance with the provisions of the Emergency Farm Mortgage Act of 1933, which authorizes the Federal land banks and national farm loan associations to make their services and facilities available in making and servicing Commissioner loans.

Since September 1933, the services of these agencies have been utilized for the reason that it is economically advantageous to both the Federal land banks and the Federal Farm Mortgage Corporation to carry on their activities as a joint enterprise. This eliminates practically all duplicate overhead expenses and a sizable portion of direct operating costs which would be incurred if two separate organizations were maintained. The saving in direct operating costs is especially apparent in connection with joint loans where the Federal land bank holds a first lien and the Corporation a second mortgage on the same security. Nearly 60 percent of the Corporation's loans are of this type. In each such joint loan case practically all transactions can be handled as a single unit. This is evidenced by the fact that in joint loan cases only one application is taken for the loans, only one appraisal and one title examination are made; the installments that mature on the first and second mortgages are included in one notice to the borrower; and in the event the loans break down and foreclosure is necessary, only one reappraisal, review, and foreclosure action is required.

The Federal land banks disburse their own funds in payment of operating expenses incurred in making their services and facilities available to the Commissioner and Federal Farm Mortgage Corporation. The Corporation then reimburses the banks on a cost basis. The operating expenses of the land banks are segregated as to the nature of the services performed, namely: Approving applications for loans, closing loans, servicing loans, servicing real estate, and selling real estate. Items of cost that were sustained solely for the benefit of the land banks or the Corporation are allocated directly to the one for which the expense was incurred. The remaining expenses are then segregated into their respective cost classifications and prorated between the land banks and the Corporation in the ratio of the units of work handled for each to the total number of units handled for both with respect to each of the functions above enumerated. Overhead expenses that cannot be directly allocated to a particular activity are prorated to the different functions in the same ratio as the direct salaries that are identifiable with respect to each function.

At the end of each month the Federal land banks submit vouchers to the Washington office of the Federal Farm Mortgage Corporation covering their claims for services rendered for which they have advanced their own funds. In order to avoid an undue burden on the banks, the Corporation advances the full amount of such vouchers with the understanding that the payment is tentative and does not constitute a settlement of the claim. After the end of each year, the Corporation's auditors make a verification in the banks of the vouchers submitted and a final settlement is effected on the basis of this audit.

As almost all second mortgage Commissioner loans are junior to first mortgage loans closed by the Federal land banks or held by them at the time the Commissioner loans were closed, it is obvious that numerous cases of a distressed nature will arise where a conflict of interest may exist between the Federal land banks and the Corporation. In order to bring about an independent consideration of the interests of the Federal Farm Mortgage Corporation in decisions relating to liquidating problems where there is a joint or conflicting interest, it is the duty of the district vice presidents to review and, on behalf of the Corporation, pass upon transactions affecting joint loans in default. The specific duties and discretionary powers of the district vice presidents are prescribed by the board of directors of the Federal Farm Mortgage Corporation and they are subject to current review by the Washington officers of the Corporation.

ACCOUNTING PROCEDURE

The present chart of accounts under which the Federal Farm Mortgage Corporation is operating was developed by the Farm Credit Administration in collaboration with a representative of the General Accounting Office. The Federal land banks, as agents of the Federal Farm Mortgage Corporation, are required to submit a monthly financial and statistical report, covering their operations as agents, to the Washington office of the Corporation. These reports from the several districts are consolidated in the accounts of the central office of the Corporation for the purpose of administrative control.

The cash procedure adopted by the Corporation and the manner in which it submits its accounts current to the General Accounting Office are in accordance with the Federal Farm Mortgage Corporation Act, which reads in part as follows:

> * * * The directors shall have power, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States * * * to prescribe the manner in which the obligations of the corporation shall be incurred and its expenses allowed and paid * * *

Under the above authority, the established procedure of the Corporation governing the handling of its cash permits each field disbursing officer to maintain a checking account with the Treasurer of the United States which is used for the receipt and disbursement of funds for which the disbursing officer is responsible. This method assures the disbursing officers of the Corporation maximum convenience in the handling of their cash and permits receipts to be made immediately available for the financial needs of the Corporation. The district disbursing officers are limited by resolution of the Board of Directors of the Corporation to the right to make disbursements to

only the Federal land banks, the Federal Farm Mortgage Corporation, and to the Treasury of the United States. Furthermore, disbursements to the Federal land bank are restricted to reimbursements for capital outlays such as new loans, the operation, maintenance and rehabilitation of real estate, and trust fund disbursements. They submit to the central office of the Corporation, at the end of each month, an account current covering all of their cash receipts and disbursements.

The central office of the Corporation maintains three checking accounts with the United States Treasury which are operated in practically the same manner as the accounts for the district offices except that all reimbursable expenses of the Federal land banks—either administrative or nonadministrative—can be paid to the banks only by the central office upon the submission of expense vouchers as previously outlined. Under the provisions of the Farm Credit Administration Appropriation Act of 1938, nonadministrative expenses are defined as "all necessary expenses * * * in connection with the operation, maintenance, improvement, or disposition of real or personal property of the Corporation." All other expense reimbursements to the banks are classified as administrative expenses.

One of the accounts maintained with the United States Treasury is designated as a finance account in which are deposited all receipts coming into the possession of the central office and from which are disbursed all capital expenditures, advances to district disbursing officers, bond interest, and other nonadministrative expenditures. Two other accounts are maintained, designated as administrative expense accounts, one of which is used solely for the purpose of reimbursing the Federal land banks for administrative expenses for 1937 and prior years, and the other for similar disbursements for the fiscal year 1938.

The cash procedure as outlined above has proved to be well adapted to the efficient handling of the Corporation's business. It has assured the flexibility of the Corporation's operations and has permitted prompt reimbursement to the Federal land banks for capital outlays (which are frequently of an emergency nature) and operating expenses advanced by them on behalf of the Corporation. This is very significant when it is considered that the Federal land banks are making their services and facilities available to the Corporation on a cost basis and, in addition, are advancing large amounts of their own funds to make immediate payments on behalf of the Corporation. The cash procedure of the Corporation makes it possible to operate with moderate cash balances, thus permitting substantial savings in interest charges.

AUDITS

All disbursements made by the district disbursing officers of the Federal Farm Mortgage Corporation are supported by standard Government vouchers which are currently submitted to the central office of the Corporation. Upon receipt, they are audited from the standpoint of accuracy, legality of purpose for which the funds have been disbursed, adequacy of supporting detail, approval by proper authority, and proper certification by the Federal land bank as agent, and—where a joint interest may be involved—by the district vice president of the Corporation.

As previously indicated, all operating expenses, whether administrative or nonadministrative, incurred by the Federal land banks as agents of the Corporation are claimed from the central office of the Corporation on standard Government vouchers. These vouchers are submitted monthly, and after a preliminary audit the full amounts thereof are advanced to the banks with the understanding that final settlements will be effected only after the cost of the services and facilities, as reflected by the books of the banks and the proration thereof as made in vouchers submitted, have been verified by auditors of the Federal Farm Mortgage Corporation. These vouchers are audited on an annual basis, and subsequent to such audits final settlements of the claims of the banks are effected either by reimbursement to the Corporation for excess claims or by additional payments by the Corporation for any balances that may be found due to the banks.

The Corporation renders to the General Accounting Office monthly accounts current for all cash receipts and disbursements. The vouchers upon which disbursements have been made are submitted with the accounts current.

In addition to the audits made by the central office of the Corporation, all of its accounts, both in the field and in the central office, are examined twice each year by Farm Credit examiners, who are public officials responsible to the Farm Credit Administration. Since transactions of the Corporation are closely associated with the affairs of the Federal land banks, examinations of the books of the Corporation are made concurrently with those of the several land banks. Copies of the examiners' reports are submitted to the Executive Committee and the Board of Directors of the Corporation; any deviations from prescribed policies and procedures indicated thereby are given prompt attention.

RECENT LEGISLATION

The majority of Land Bank Commissioner loans have been closed for a 13-year term. On loans closed prior to the passage of the Farm

Credit Act of 1937 the borrower is required to pay only interest installments during the first 3 years the loan is in effect. Principal installments on the major portion of all Commissioner loans closed prior to January 1, 1935, began maturing during 1937. As these principal installments equaled 10 percent of the original amount of the loans, it was found in numerous cases—particularly with respect to second mortgage loans—that the combined maturing obligations of the borrower were too large for him to pay out of his farm income. Especially has this been true in drought areas. The Farm Credit Act of 1937 amended the Federal Farm Mortgage Corporation Act to grant the Corporation the "power to extend in whole, or in part, any unpaid obligation under the terms of any mortgage and to accept payment of any such obligation, together with interest thereon, at a rate not to exceed 5 percentum per annum" when, in the judgment of the directors of the Corporation, conditions justify such action.

In certain areas of the country conditions had improved to such an extent that in the closing of Land Bank Commissioner loans it appeared no longer necessary to give the borrowers a period of 3 years in which no principal payments would be required on their loans. The Farm Credit Act of 1937 amended the Emergency Farm Mortgage Act of 1933 to make it optional whether interest payments only should be required on mortgages in effect during the first 3 years after the date of the act. This amendment authorized the Land Bank Commissioner to grant such privilege as to new mortgages when, in his opinion, conditions warrant.

The Farm Credit Act of 1937 permits the Corporation to make loans to Federal land banks and joint stock land banks on the security of real estate mortgages, sheriffs' certificates, sales contracts and real estate, provided, however, that such loans outstanding to joint stock land banks shall not at any time exceed in the aggregate $10,000,000.

The Farm Credit Act of 1937 also authorized the Federal Farm Mortgage Corporation to make available to the Land Bank Commissioner—until July 1, 1938—the sum of $2,000,000 to be used in making loans to joint stock land banks for the purpose of obtaining for a period of 1 year from the date of such loans "postponement of the foreclosure of first mortgages held by such banks on account of (1) default in the payment of interest and principal due under the terms of the mortgage; and (2) unpaid delinquent taxes excluding interest and penalties, which may be secured by the lien of said mortgage." Such loans from the Land Bank Commissioner are to be secured by liens on the delinquent interest, principal, and taxes on the loans involved and such additional security as the Commissioner may require: "Provided that the amount loaned with respect to any mortgage on account of unpaid principal shall not exceed 5 percentum of the total unpaid principal of such mortgage and the total amount loaned to

ıny such land bank with respect to any mortgage shall not exceed !5 percentum of the total unpaid principal of such mortgage." This ›rovision of the act merely changes the source of funds for such loans rom the Reconstruction Finance Corporation to the Federal Farm Mortgage Corporation and reduces the amount available from ;25,000,000 to $2,000,000.

Temporary reduction in the interest paid by Land Bank Commissioner borrowers was granted by the act of Congress of July 22, 1937. This law provides that the rate of interest on Land Bank Commissioner loans shall not exceed 4 percentum per annum for all interest ayable on installment dates occurring within a period of 2 years ommencing July 22, 1937. In the Third Deficiency Appropriation ›r 1937, there was made available to the Corporation the sum of 5,000,000: "To enable the Secretary of the Treasury to pay to the 'ederal Farm Mortgage Corporation such amount as the Governor f the Farm Credit Administration certifies to the Secretary of the 'reasury is equal to the amount by which interest payments on ıortgages held by such Corporation have been reduced during the scal year 1938."

LAND BANK COMMISSIONER LOANS

The number of new Commissioner loans continued to decline ıroughout 1937, although the demand for such loans for the purpose ' financing the purchase of farms remained fairly constant. Of 10,020,173 of Commissioner loans closed during the year, $8,696,395, · 21.9 percent, was used for the purpose of financing farm purchases, ; compared with $10,260,364 used for the same purpose in 1936; ıis sum represented 13.3 percent of the total Commissioner loans osed during that year; 21,873 Land Bank Commissioner loans ere closed during the current year, of which 13,645 were second to 'st mortgage Federal land bank loans. The following table gives e distribution of land bank and Land Bank Commissioner loans ›sed during 1937, by type of loan:

Land bank and Commissioner loans closed during 1937, by type of loan

Type of loan	Number	Percent of total	Amount	Percent of total
›eral land bank only	4,173	11.0	$14,791,929	14.3
›eral land bank closed jointly with Land Bank Commissioner	11,816	31.2	48,299,800	46.8
ıd Bank Commissioner only, first mortgage	8,228	21.8	13,374,548	13.0
ıd Bank Commissioner, second mortgage, not closed intly with Federal land banks	1,829	4.8	3,052,300	3.0
ıd Bank Commissioner, second mortgage, closed intly with Federal land banks	11,816	31.2	23,593,325	22.9
Total	37,862	100.0	103,111,902	100.0

Volume of loans closed and outstanding, by quarters, appears in figure 13.

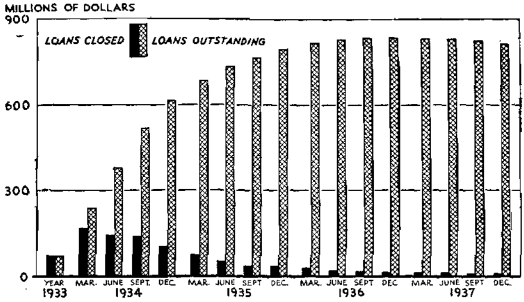


FIGURE 13.

VOLUME OF LOANS CLOSED AND OUTSTANDING BY QUARTERS.

During the year just ended, principal payments started maturing on the major portion of all Land Bank Commissioner loans closed prior to 1935. Of the total principal payments that were collectible during the year amounting to $23,156,577, 67.8 percent, in the amount of $15,687,792, was paid. In addition to these payments of regular maturing installments, special payments of principal and loans paid in full amounted to $30,847,274. Consequently, the total of all principal repayments on Commissioner loans during the year exceeded the amount of new loans closed to the extent of $6,514,893.

On December 31, 1937, 455,291 Commissioner loans totaling $812,749,284 were outstanding, as compared with 455,082 loans aggregating $836,778,547 outstanding at the end of 1936. Further information as to Commissioner loans made and outstanding is given in tables 49 to 52 of the appendix.

INTEREST COLLECTIONS

Of the $125,199,240 of interest which had matured on Commissioner loans prior to December 31, 1937, $114,200,900, or 91.2 percent, had been collected or otherwise disposed of as of that date. This compares with 88.3 percent collected or otherwise disposed of as of December 31, 1936. As of December 31, 1936, 84,704 Land Bank Commissioner loans in the gross amount of $171,844,000, or 20.5 percent of the loans outstanding as of that date, were delinquent. For the corresponding date of 1937, $197,531,321, or 24.3 percent of the total Commissioner loans outstanding, were delinquent.

Classification of Commissioner loans outstanding Dec. 31, 1937

Classification	Number of loans	Percent of total
Loans with all matured unpaid installments extended:		
Extensions not delinquent	6,949	1.5
Extensions delinquent	56	
Loans with delinquent installments	98,147	21.6
Total	105,152	23.1
Loans with all matured installments paid in full by borrowers	350,139	76.9
Total	455,291	100.0

In addition to the increase in the amount of delinquent loans outstanding at the end of the year, $13,959,198 of Commissioner loans—exclusive of reinstatements—were called for foreclosure, thereby removing them from the delinquent classification. Of the total interest payments on Commissioner loans which were collectible during 1937, $1,529,466 was transferred to the Corporation's investment in loans called for foreclosure, along with the matured and unmatured principal of such loans, and $1,373,851 was formally extended under the provisions of the Farm Credit Act of 1937.

As previously indicated, by act of Congress July 22, 1937, the rate of interest to borrowers on Commissioner loans was reduced from the contract rate of 5 percent to a rate not to exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing as of the date of that act. Under this legislation, interest reductions to borrowers to December 31, 1937, amounted to $3,597,008. The amount of such interest reduction by farm credit districts is shown in table 56 of the appendix. Further data regarding collections and condition of Commissioner loans are given in tables 53 to 55 of the appendix.

FORECLOSURES AND REAL ESTATE

As in the case of the Federal land banks, it is the policy of the Federal Farm Mortgage Corporation not to foreclose when the borrower is doing his honest best, is applying proceeds of production over and above living expenses to the payment of primary obligations, is taking proper care of the property, has the capacity to work his way out of a reasonable burden of debt under normal conditions, and is making satisfactory progress.

When it becomes necessary to foreclose a first-mortgage Commissioner loan the Federal land bank, acting as agent of the Corporation, determines the time and means of acquiring the property for the Corporation. In the case of second-mortage loans, where the

Federal land bank holds a prior lien, the district vice president determines the advisability of acquiring the property for the Corporation.

The Federal land banks, acting as agents of the Corporation, instituted foreclosure during the year in connection with 3,400 first-mortgage Commissioner loans and 2,629 second-mortgage loans; 4,421 properties were acquired either by completion of foreclosure or by voluntary deed.

On all properties acquired the Corporation must incur costs of acquisition and make expenditures for taxes, interest on prior liens—if any—and repairs and maintenance. It does not assume the existing prior liens on second mortgages which are foreclosed; but if it decides to protect its investment it pays up delinquencies at or prior to acquirement and pays future maturing installments on such liens as they become due until sale or abandonment of its investment in the property.

The Corporation aims to sell its acquired farms as rapidly as they can be disposed of at satisfactory prices, and finances many of its sales by purchase money obligations running over a term of years. In second mortgage cases the purchaser usually assumes the first mortgage held by the Federal land bank as a part of the purchase consideration. The Federal land banks, acting as agents of the Corporation in the sale of its acquired farms, sold 1,300 farms and 120 parts of farms for the Corporation during the year 1937. The Corporation's investment in these properties and the recoveries thereon are shown in the following table:

Farms and sheriffs' certificates acquired and sold by the Federal Farm Mortgage Corporation during 1936 and 1937

Item	1936	1937
Acquisitions:		
Number	2,633	4,421
Investment (gross, including prior liens not assumed)	*$10,653,227*	*$16,816,491*
Sales:		
Number (including parts of farms)	461	1,420
Investment (gross, including prior liens not assumed)	*$1,284,120*	*$4,015,634*
Consideration	$1,118,067	$3,494,300
Average percent cash received at time of sale	18.7	21.7

Additional data on foreclosures, real-estate holdings, and real-estate sales are shown in tables 57 to 59 of the appendix.

BONDS

With the approval of the Secretary of the Treasury, the Federal Farm Mortgage Corporation is authorized to issue and have outstanding at any one time bonds in an aggregate amount not exceeding

$2,000,000,000. These bonds are lawful investments and may be accepted as security for all fiduciary, trust, and public funds the investment or deposit of which are under the authority and control of the United States. They are fully and unconditionally guaranteed both as to principal and interest by the United States Government. The statement of condition of the Federal Farm Mortgage Corporation as of December 31, 1937 (table 60 of the appendix) shows that bonds aggregating $1,414,865,900 were outstanding as of that date. Bonds in the aggregate amount of $1,651,559,000 have been issued by the Corporation since organization, of which $236,693,100 have been retired.

Federal Farm Mortgage Corporation bonds can be purchased or sold through bond dealers and commercial banks. Interest on registered bonds is paid by check on the United States Treasurer mailed to the person who, 1 month before the payment date, is registered as the holder of the bond. Commercial banks and local postmasters are accustomed to cash matured interest coupons from coupon bonds.

Bonds may be exchanged for bonds of a different denomination of the same issue, or coupon bonds may be exchanged for registered bonds of the same issue—and vice versa—by requesting local banks to effect the exchange through any Federal Reserve bank. Transfer of registered bonds may be accomplished through the Federal Reserve bank in the same manner. The Division of Loans and Currency, Treasury Department, Washington, D. C., acts as transfer agent for the Federal Farm Mortgage Corporation and handles the details in connection with issues, exchanges, and maintenance of bond records.

FINANCIAL CONDITION

The principal assets of the Corporation consist of consolidated Federal farm loan bonds aggregating $761,129,840; first and second mortgage loans including purchase money mortgages aggregating $815,000,886; and real estate carried at a value of $5,478,646. The total of these assets is $166,743,472 in excess of the Corporation's outstanding bonds as of December 31, 1937.

The Federal Farm Mortgage Corporation has established a conservative policy with regard to valuation reserves for delinquent installments, extensions, loans in foreclosure, and real estate and chattels owned. A reserve for the full amount of delinquent interest installments and extensions, less partial payments received on them is maintained. Reserves are also maintained on loans called for foreclosure, sheriffs' certificates and real estate owned—if they are subject to prior liens—for the full amount of the Corporation's net investment in them; if they represent first mortgages, the reserves are for the

difference between the Corporation's investment and the carrying value thereof, or the probable recovery or sale value—whichever is the lower. The reserve on chattels owned is for the full amount of the Corporation's investment. The total of these valuation reserves as of December 31, 1937, was $26,049,723.

During the current year, the Federal Farm Mortgage Corporation loaned $41,000,000 to the Federal land banks on the security of a like amount of consolidated Federal farm loan bonds, all of which was outstanding on December 31, 1937. The amount of such loans, by banks, is shown in the following table:

Loans to Federal land banks during 1937

To Federal Land Bank of—	Amount	To Federal Land Bank of—	Amount
Springfield	$1,000,000	Omaha	$13,500,000
Baltimore	2,000,000	Wichita	1,500,000
Columbia		Houston	4,000,000
Louisville	3,500,000	Berkeley	
New Orleans	4,700,000	Spokane	4,000,000
St. Louis	4,000,000		
St. Paul	2,800,000	Total	41,000,000

The Corporation's earnings on an accrual basis from organization to December 31, 1937, after absorbing the operating deficit of $257,967 in connection with Commissioner loans made prior to the organization of the Corporation, have been set aside as a reserve against estimated losses on Commissioner loans outstanding. This reserve amounted to $32,957,574 at the end of the year. All earnings have been and will continue to be transferred to this reserve until it amounts to 10 percent of the unpaid principal balance of second mortgage loans and 2½ percent of the unpaid principal balance of first mortgage loans. The reserve requirement amounts to $58,608,400, based upon loans outstanding on December 31, 1937. From the experience of the Corporation during the current year with regard to distressed loans, foreclosures and abandonments, it appears that its anticipated losses may require even larger reserves than heretofore have been contemplated. Further details concerning the financial condition, earnings, and particular assets and liabilities of the Corporation may be found in tables 60 and 61 of the appendix.

EMERGENCY CROP AND FEED LOAN OFFICES

The Emergency Crop and Feed Loan Section is under the jurisdiction and control of the Production Credit Division.

The short-term credit program of the section during 1937 included administration of the 1937 crop and feed loans as well as the collection of crop and feed loans made in prior years and drought relief loans made in 1934–35.

The field operations of the section were handled through 11 regional offices, 8 of which are in cities where all other units of the Farm Credit Administration are located. The 11 offices are at Springfield, Mass.; Baltimore, Md.; Columbia, S. C.; Memphis, Tenn.; St. Louis, Mo.; St. Paul, Minn.; Omaha, Nebr.; Wichita, Kans.; Dallas, Tex.; Salt Lake City, Utah; and Spokane, Wash. Branch offices are also located in Puerto Rico and Hawaii under the supervision of the regional offices at Baltimore and Salt Lake City, respectively.

1937 EMERGENCY CROP AND FEED LOANS

Emergency crop and feed loans for 1937 were authorized by an act of Congress, approved January 29, 1937. The appropriation for these loans was $50,000,000.

Under the provisions of the act, the Governor of the Farm Credit Administration was authorized to make loans to farmers in the United States, Puerto Rico, and Hawaii for the purpose of financing the fallowing of land, the production and harvesting of crops and the purchase and production of feed for livestock. The act prescribed that the maximum amount to be loaned to any one borrower should not exceed $400.

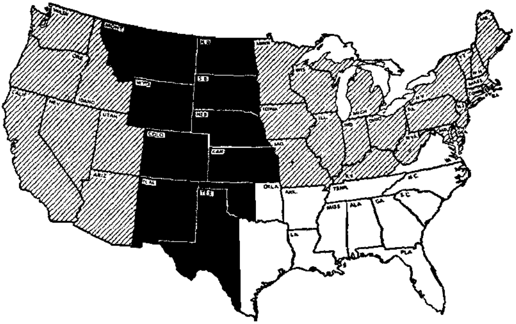
Loans for the production of cash crops were secured by a first lien on all crops financed, in whole or in part, by the proceeds of the loan. Loans for the purchase or production of feed for livestock were secured by a first lien upon the livestock to be fed.

LENDING POLICIES

In administering the 1937 loan the Emergency Crop and Feed Loan Section followed the established policy of restricting loans to farmers who could not obtain loans from other sources; of refusing further credit to borrowers who had not shown good faith in connection with former loans; and of limiting the loan to the actual amount needed by the applicant to finance his crop or livestock operations. This policy of limiting the loan to the actual amount needed—even in those cases where the prospective crop might support a larger loan—is followed for the best interest of the borrower as a means of returning him the sooner to a sound self-supporting basis.

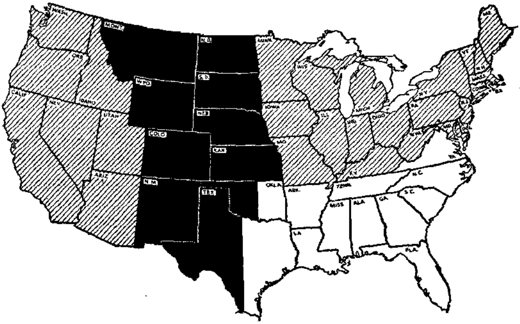
NUMBER AND AMOUNT OF LOANS

The Emergency Crop and Feed Loan Section in 1937 made 252,895 loans in the amount of $32,506,011. This was an increase of 33.8 percent in loans and 95.5 percent in dollar volume compared with 1936. This increase was primarily due to the adverse effect on agriculture of the 1936 drought which, especially in the Great Plains States, seriously depleted the financial resources of farmers and resulted in a curtailment of private credit.



1937 emergency crop and feed loans, continental United States

Area	Amount loaned	Percentage of total amount loaned
Black	$16, 248, 927	51.1
Shaded	3, 888, 900	12.2
White	11, 675, 238	36.7
Total	31, 813, 065	100.0



Emergency crop and feed loans for the period 1921–37

Area	Amount loaned	Percentage of total amount loaned
Black	$125, 972, 178	37.6
Shaded	42, 182, 671	12.6
White	167, 206, 803	49.8
Total	335, 361, 652	100.0

FIGURE 14.

In adherence to the policy of making loans only to farmers who cannot obtain credit from other sources, the increase in the 1937 loan volume was confined almost entirely to the severely drought-stricken areas of the Plains States, which showed an increase of 127.5 percent in number of loans and 216.6 percent in amount loaned. Of the total amount loaned throughout the Nation in 1937, this group of 10 States received 51.1 percent. Compared with this, only 12.2 percent of the total amount disbursed in 1937 was loaned in the 26 Northeastern, North Central and far Western States, where crop conditions and the availability of private credit for crop financing remained generally at a normal level.

The full page maps (fig. 14) show the amount loaned in 1937 according to geographical areas and amounts loaned from 1921 to 1937 under the same geographical category.

COLLECTIONS

Although generally farmers throughout the country enjoyed bountiful crops and an increased income in 1937, there was a continuance of adverse conditions—such as lack of moisture, dry winds, and pests—in those areas in the Plains States where the volume of 1937 loans was greatest. This had a marked effect on collections. On December 31, 1937, \$15,082,129, or 46.4 percent of the total amount loaned in 1937, had been collected.

Of the 1937 loans which had matured by December 31, 1937, totaling \$28,584,001, \$15,044,208, or 52.6 percent, had been collected. The amount of money outstanding on 1937 loans at the close of the year was \$17,423,882; \$3,118,425 of this represented winter wheat loans which will not mature until the summer of 1938.

SECURED (CROP AND FEED) LOANS, 1921-37

During the period 1921–31 crop and feed loans were made to meet distressed conditions in certain flood and drought-stricken areas of the nation. However, beginning with 1931 the general economic distress, concerned with widespread drought, led to the making of these loans on a Nation-wide basis and they have so continued to be made up to the time of this report.

Of \$336,862,830 disbursed on crop and feed loans during the period 1921–37, \$125,972,178, or 37.4 percent, was loaned in the Great Plains States. There was also a heavy concentration of these loans in the Southern States, which received 49.6 percent of the total amount loaned during the period 1921–37. The loan volume in this section is greatest in the cotton producing areas where the great majority of loan applicants are small tenant or share-crop farmers who are unable to qualify for loans from private credit institutions. On the other hand, only 12.5 percent of the total amount loaned over these years has gone into the northeastern, north central, and far western States

where—as indicated—weather conditions—and subsequent credit conditions—have been generally favorable.

While weather and economic conditions have caused a recurring need of this type of financing, in recent years there has been a downward trend in the number of loans made annually. The administration of crop and feed loans was transferred to the Farm Credit Administration on May 27, 1933; and the gradual reduction in the loan volume, as indicated by the following table, virtually began with the 1934 loan program, which was the first administered under direction of the Farm Credit Administration:

Number of loans, by years, 1931–37

Year	Number	Year	Number
1931	438, 756	1935	424, 441
1932	507, 631	1936	188, 944
1933	633, 586	1937	252, 895
1934	445, 189		

The increase in the number of loans in 1937 over 1936 is primarily due, as indicated, to the effect of the 1936 drought. However, as indicative of the general downward trend in the loan volume, the number of loans in 1937 is far short of the number made in 1935, which also followed a severe drought year.

The chief factors in the reduction made in the loan volume since 1933 have been the rehabilitation—through this type of financing—of many borrowers to a point where they have been able to finance themselves or obtain financing from production credit associations and private agencies; an increased insistence on restricting these loans to farmers who could not obtain financing from other sources; the denial of further credit to previous borrowers who have not shown good faith; and the improvement in agricultural conditions generally.

COLLECTIONS

In authorizing emergency crop and feed loans in recent years Congress has specifically indicated two types, i. e.: (1) Loans for the production of cash crops secured by a first lien on the crops to be planted; and (2) loans for the purchase or production of feed for livestock secured by a first lien on the livestock to be fed.

The number of loans secured by liens on livestock, however, are relatively few. Of a total of 1,945,055 loans made since 1932 only 25,490, or 1.3 percent, were secured by livestock liens.

Thus, since practically all of the loans are secured only by a lien on the crops financed by the loan, collections have been materially affected by crop yields and market prices. In sections where crops were good and a cash market available collections have been very

tisfactory; in areas of partial or complete crop failure they have fallen f materially. This is borne out by the fact that in the Great Plains ea the percentage of collections on loans made during the period 21–37 is 37.3, whereas in the Southern States the percent collected ring this period is 86.8 and in the other sections of the country the rcent of collections is 69.8. Over the entire period 1921–37, 22,327,282, or 66 percent of the total crop and feed loan volume of 36,862,830, was repaid.

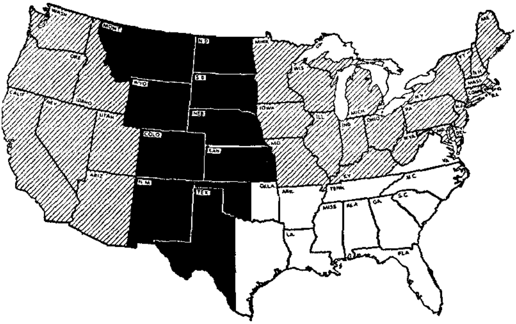


FIGURE 15.

COLLECTIONS ON EMERGENCY CROP AND FEED LOANS, 1921–37.

Area	Amount loaned	Collections	
		Amount	Percent of amount loaned
k	$125,972,178	$47,033,339	37.3
ed	42,182,671	29,428,830	69.8
:e	167,206,803	145,101,189	86.8
Total	335,361,652	221,563,358	66.1

'he map shows the amount and percentage collected for the period 1–37 according to geographical area.

Iotwithstanding the seriously depleted resources of farmers in wide ught areas of the country in 1934 and 1936 and the fact that a large centage of the loans has been outstanding for a long period of time, ıbstantial liquidation of all past due loans continued to be made in 7. During the year $6,871,945 represented collections on loans le in 1936 and prior years, and approximately $672,991 of this ɔunt was collections on loans made as far back as 1931 and years ır thereto.

UNSECURED (DROUGHT RELIEF LOANS) 1934–35

In addition to secured crop and feed loans, the Emergency Crop and Feed Loan Section is charged with the administration of drought relief loans made by that section in drought-stricken areas in 1934–35.

Loans made for this purpose were authorized by an act of Congress approved June 19, 1934, appropriating $525,000,000. Of this sum $96,785,000 was earmarked to the Governor of the Farm Credit Administration.

These loans were made on the basis of the borrower's unsecured note and a nondisturbance agreement given by all holders of liens on the chattels and other livestock to be fed.

When the appropriation expired June 30, 1935, 300,614 initial loans aggregating $21,640,061 and 789,307 supplemental loans totaling $50,368,479 had been made. As shown on the map below, the Great Plains States, which were most severely affected by the drought, received $51,731,828, or 71.8 percent, of the $72,008,540 loaned on drought feed loans during 1934–35.

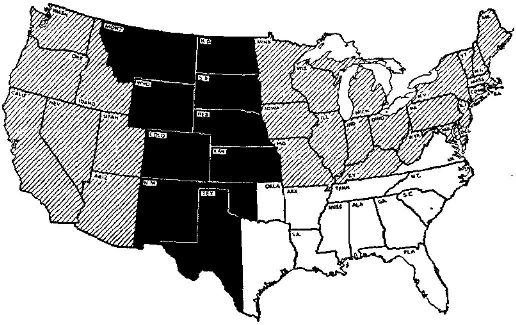


FIGURE 16.

1934–35 DROUGHT RELIEF LOANS.

Area	Amount loaned	Percentage of total amount loaned
Black	$51,731,828	71.8
Shaded	14,682,796	20.4
White	5,593,916	7.8
Total	72,008,540	100.0

COLLECTIONS

Since loans under the drought relief appropriation were made on extremely liberal terms, this circumstance has had a marked effect on collections. Despite the fact that collections on these loans must come from livestock or crops of the borrower after liens on such livestock or crops have been satisfied, there has been a material and steady liquidation of these loans.

The financial assistance given livestock producers by these drought feed loans has enabled them, in many cases, to take advantage of the recent improvement in the livestock situation. The result has been that many borrowers have been able to repay their loans after selling their livestock or have been able to create an equity in their livestock which has enabled them to obtain a loan from production credit associations or private credit agencies to pay off their drought loan indebtedness.

As of December 31, 1937, $14,895,220, or 20.7 percent, of all drought loans made from July 3, 1934, to June 30, 1935, had been collected.

Further statistical details as to collections on emergency crop and feed loans and drought relief loans, together with statements of condition, will be found in tables 62 to 70, in the appendix.

ADMINISTRATIVE COSTS

The cost of handling the 1937 crop and feed loan, which included both the making and collecting of loans, was $1,182,788 for the year.

The cost of servicing and collecting both the 1937 transactions numbering 252,895 loans, and all unpaid prior loans, numbering 1,343,875 was $3,881,567 or $2.43 per loan. The cost per dollar loaned and collected on all loans during the year was approximately $.067.

AGRICULTURAL CREDIT CORPORATIONS STOCK PURCHASE LOANS

For the purpose of assisting in the formation of local agricultural credit corporations, or of increasing the capital stock of such corporations qualified to rediscount borrowers' notes with the Federal intermediate credit banks, or to which such credit may be extended, the act of February 14, 1931, authorized the Secretary of Agriculture to make loans to individuals under such regulations as he might prescribe. Twenty million dollars was appropriated for this and other purposes. Out of this appropriation loans were made in the amount of $1,453,024 to 958 individuals representing 52 corporations.

By Executive order of March 27, 1933, the administration of these loans was transferred from the Secretary of Agriculture to the Governor of the Farm Credit Administration. No loans were made sub-

sequent to this transfer. On the date of transfer 847 loans totaling $1,442,444 were outstanding. Of the total made 345 loans aggregating $858,323 have been repaid in full. Partial collections have been made on other loans, bringing the total of collections on December 31, 1937 to $971,437. There remains unpaid 502 loans totaling $481,587. The following table shows by months the total collections during the year 1937 and the balance outstanding at the end of the year.

Collections, by months, during 1937 on loans to individuals for the purchase of capital stock in agricultural credit corporations, and balance outstanding, Dec. 31, 1937

Month	Amount collected	Month	Amount collected
January	$4,301	September	$626
February	457	October	9,393
March	2,276	November	24,142
April	1,026	December	26,960
May	1,156		
June	1,173	Total	88,423
July	12,976		
August	3,937	Balance outstanding, Dec. 31, 1937	481,587

ORGANIZATIONS IN LIQUIDATION

Up to this point this report has concerned itself with the permanent credit units operating under the Farm Credit Administration and with those of a temporary character which, nevertheless, remain active in their particular field of rural credit. The following section is devoted to three units which are in process of orderly liquidation.

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

Paragraph e, section 201, title II of Public, No. 302, Seventy-Second Congress, commonly known as the Emergency Relief and Construction Act of 1932, authorized the Reconstruction Finance Corporation to create in any of the 12 Farm Credit Administration districts a regional agricultural credit corporation with a paid-up capital of not less than $3,000,000. Regional agricultural credit corporations were set up in each of the 12 Farm Credit Administration districts in accordance with the provisions of this act. These corporations were created to meet the then pressing demand for short-term credit, particularly in the livestock industry.

LIQUIDATION OF EXISTING ORGANIZATIONS

The Executive Order effective May 27, 1933, transferred certain features of the regional agricultural credit corporations to the Farm Credit Administration. The regional agricultural credit corporations

were placed in orderly liquidation, May 1, 1934, after production credit associations—permanent sources of short-term credit—were organized to fill the place the "regionals" occupied in the emergency.

May 1, 1934, outstanding loans totaled $144,671,174. From that date to December 31, 1937, outstanding loans have been reduced $129,079,356 or 89.2 percent. On this latter date, outstanding loans amounted to $15,591,818.

When the regional agricultural credit corporations were placed in liquidation, there were 12 principal offices and 21 branches. On June 1, 1936, the remaining business of the regional agricultural credit corporations in Farm Credit districts 1 to 6, was concentrated at Washington, D. C. Pursuant to the authority exercised under the Farm Credit Act of 1937, a new corporation known as the Regional Agricultural Credit Corporation of Washington, D. C. was created September 30, 1937, to take over the assets and liabilities of these regional agricultural credit corporations. West of the Mississippi there still remain six principal offices and four branches.

The original paid-in capital of the corporations was $44,500,000. During the period of liquidation, repayments of capital have been, successively, $10,000,000 in 1935; $19,500,000 in 1936; and $7,500,000 in 1937. This represents a total return of the original subscribed capital of $37,000,000, leaving the present capital at $7,500,000.

PROGRESS IN LIQUIDATION

From organization late in 1932 to the end of 1937 regional agricultural credit corporations made loans, exclusive of renewals, to farmers and stockmen aggregating $322,693,140. On December 31, 1937, $15,591,818, or 4.8 percent of the total amount advanced, was outstanding. Repayments from organization to December 31, 1937, aggregated $305,373,210.

During the process of liquidation, it has been the policy of the regional agricultural credit corporations to supply additional credit in cases where borrowers have operated in good faith but for valid reasons have been unable to repay or transfer their indebtedness to permanent lending agencies on a reasonable basis. Most of the additional advances have been made in the western livestock areas where severe drought in 1934 and 1936 materially interfered with the program of liquidation. New advances from May 1, 1934, to December 31, 1937, have totaled $61,692,908.

In the process of liquidation it has been necessary for the corporations to acquire title to some of the pledged collateral. From organization to the end of 1937 they have acquired title to property in the amount of $445,708, of which they have disposed of all except $48,276.

Losses through charge-offs, where all present sources of liquidation have been exhausted, and losses caused by acquiring title to property,

›m organization to date, total $1,492,683, or one-half of 1 percent the entire amount loaned.

Outstanding loans of the regional agricultural credit corporations ꞓ appraised and classified periodically and reserves for undetermined ›ses established in all corporations. As of December 31, 1937, the ›erve for loans amounted to $3,803,579.

SOURCES OF REPAYMENT

Of the total repayments received during the period of liquidation [ay 1, 1934, to December 31, 1937) 71 percent represented payments ›m borrowers. Approximately 29 percent was paid through the rchase of loans by production credit associations and other private ›ding agencies. *Detailed information as to the sources of repayment d related data are given in tables 71 to 74 of the appendix.*

CAPITAL STOCK

The capital stock of each corporation, as of December 31, 1937, is ›wn in the following table:

Regional Agricultural Credit Corporation of—	Paid-in capital Dec. 31, 1937
any, N. Y., at Washington	Consolidated with Regional Agricultural Credit Corporation of Washington, D. C., Sept. 30, 1937.
timore, Md., at Washington	
eigh, N. C., at Washington	
umbus, Ohio, at Washington	
tson, Miss., at Washington	
Louis, Mo., at Washington	
shington, D. C., at Washington	$250,000.
neapolis, Minn.	$4,600,000.
ıx City, Iowa	$500,000.
hita, Kans., at Denver	$600,000.
t Worth, Tex., at Houston	$450,000.
Lake City, Utah	$600,000.
kane, Wash., at Helena	$500,000.
Total	$7,500,000.

he paid-in capital of the regional agricultural credit corporations as of Dec. 31, 1934, was $44,500,000. Dec. 31, 1937, $37,000,000 of this capital has been repaid.

REDUCTION OF OFFICES AND PERSONNEL

As liquidation progressed, economies have been effected through ꞓ consolidation of offices and corporations, reduction of operating sts and personnel. Regional agricultural credit corporations con-ıue to function at Minneapolis, Sioux City, Denver, Houston, Salt ke City, and Helena. Branch offices are located at Omaha, ıeyenne, Santa Fe, and Boise. Temporary suboffices are main-ned at Harlingen and San Angelo, Tex.

The rapid progress in liquidation has necessitated a corresponding luction in personnel. In reducing the personnel an effort has been

made to assist worthy employees in obtaining positions elsewhere. On December 31, 1934, the corporations had 1,415 full-time employees and 935 per-diem inspectors. On December 31, 1937, the corporations had 288 full-time employees and 261 per-diem inspectors.

AGRICULTURAL MARKETING ACT REVOLVING FUND

When the Farm Credit Administration succeeded to the functions of the Federal Farm Board it assumed administration of the remaining balance of the revolving fund which was authorized in the original amount of $500,000,000 by the Agricultural Marketing Act of June 15, 1929, for use by the Federal Farm Board in making loans to farmers' cooperative associations and to stabilization corporations. Active lending operations from this fund were curtailed after the establishment of the Central Bank for Cooperatives and the 12 district banks for cooperatives created under the Farm Credit Act of 1933. A number of loans representing indebtedness to the fund are still outstanding; some of them are not yet due. These loans are being liquidated in an orderly manner.

PROGRESS IN LIQUIDATION

During the past year the amount of indebtedness due the revolving fund was substantially reduced. During 1937 loans outstanding were reduced in the total amount of $28,726,067, of which $14,903,624 represented cash repayments and $13,822,443 represented charge-offs and transfers of unpaid loan balances to investment in real and other property and to other asset accounts. Foreclosure has been resorted to only when borrowers have consented thereto, have not made reasonable efforts to meet their obligations or have abandoned the property; or when other conditions made it necessary to take such action for the protection of the interests of the Government.

In keeping with the program of orderly liquidation of the revolving fund a number of properties acquired by assignment and foreclosure are being disposed of by sale consistent with good business practices and pursuant to Government regulations.

During the year advances to farmers cooperatives aggregated $5,934,981. Thus, the net reduction in loans was $22,791,086.

The Grain Stabilization Corporation and the Cotton Stabilization Corporation, which were established under the Agricultural Marketing Act, have both been dissolved. But under the law these corporations continue in existence for 3 years from the date of dissolution for the purpose only of collecting claims and paying debts. Some claims and receivables still remain to be liquidated, including notes representing an indebtedness on the part of the German Government for the purchase of wheat from the Grain Stabilization Corporation. These

notes were assigned to the Federal Farm Board as security for loans made to the Grain Stabilization Corporation from the revolving fund. As of December 31, 1937, the balance due on the notes of the German Government was $2,661,309.75.

SUBSCRIPTION TO STOCK IN BANKS FOR COOPERATIVES

The Farm Credit Act of 1933, under which the Central Bank for Cooperatives and 12 district banks for cooperatives were established, provided for the payment from the revolving fund of the capital stock of these institutions by the Governor of the Farm Credit Administration. Net disbursements from the revolving fund for this purpose aggregate $144,500,000, of which $50,000,000 represents the purchase of stock in the Central Bank for Cooperatives and $94,500,000 represents the purchase of stock in the 12 district banks for cooperatives. Of the total, net disbursements during 1937 amounted to $7,000,000.

LOANS OUTSTANDING

On December 31, 1937, loans from the revolving fund in the sum of $98,970,777 remained outstanding, compared with $466,242,668 outstanding on May 27, 1933, when by Executive order the Farm Credit Admiuistration succeeded to the functions of the Federal Farm Board. The amount of loans outstanding on December 31, 1937, comprised loans to the Grain Stabilization Corporation (now inactive) aggregating $67,989,192, against which a reserve of $65,300,000 has been set up. Loans to cooperative associations outstanding at the year-end amounted to $30,981,585, which included $24,623,302 merchandising loans; $912 commodity loans; and $6,357,371 facility loans.

Additional data regarding operations and a statement of condition of the fund are set forth in the appendix.

JOINT STOCK LAND BANKS

The joint stock land banks have continued to liquidate their assets and retire their obligations in accordance with the requirements of the Emergency Farm Mortgage Act of 1933. This act provided that after May 12 of that year none of these banks should issue tax-exempt bonds or make any farm loans except such as should be necessary and incidental to the financing of existing loans or bond issues or to the sale of any real estate owned or acquired by the banks.

Prior to the Emergency Farm Mortgage Act the joint stock land banks had been authorized to make long-term, amortized first mortgage loans on farm real estate from funds obtained primarily from the sale of bonds to the investing public. Charters to the banks were issued under the provisions of the Federal Farm Loan Act, approved July 17, 1916. The banks are privately capitalized institutions

managed by officers who are chosen by a board of directors elected the stockholders. The Farm Credit Administration exercises gene supervisory authority over them and directs their liquidations receivership. On December 31, 1937, 5 banks were being liquida by receivers appointed by the Farm Credit Administration, while were being liquidated by their own managements. Another ba the Northwest Joint Stock Land Bank of Portland, Oreg., which been in voluntary liquidation since 1925, has only a few remain assets. Data regarding its operations are not included in the publish reports of the Farm Credit Administration.

The progress made in liquidating the banks not in receivership summarized in the following table:

PROGRESS IN LIQUIDATION

Reduction in gross assets and secured liabilities, by years, May 1, 1933, through Dec. 31, 1

Period	Gross assets		Bonds and notes payal	
	Amount of reduction	Percent of amount on May 1, 1933	Amount of reduction	Percent amount May 1, 1
May 1 to Dec. 31, 1933	$27,932,669	5.8	$35,531,007	
1934	107,973,390	22.6	101,222,098	
1935	72,970,602	15.2	65,374,451	
1936	34,878,045	7.3	32,947,202	
1937	39,185,208	8.2	32,495,815	
Total reduction	282,939,914	59.1	267,570,663	
Amount remaining Dec. 31, 1937	195,790,575	40.9	140,334,761	
Total on May 1, 1933	478,730,489	100.0	407,905,424	1

From this table it will be observed that total assets of these ba have been reduced from $478,730,489 on May 1, 1933, to $195,790,5 on December 31, 1937, a reduction in 4 years and 8 months of $28 939,914. While this represents an average decrease of 59.1 perce for all banks during this period, there has been wide variation extent of liquidation among the individual banks. Of the 41 ban 9 have liquidated less than one-half of their assets; 24 have liquidat from 50 to 75 percent; and the remaining 8 have liquidated 75 perce or more of the assets held on May 1, 1933.

Three banks not included in the foregoing figures have complet liquidation and surrendered their charters since 1933. On Februa 28, 1934, the Mississippi Joint Stock Land Bank of Memphis, Ten which had total assets of $3,946,532 on May 1, 1933, merged with t Tennessee Joint Stock Land Bank of Memphis. On October 20, 19 the stockholders of the Tennessee Joint Stock Land Bank of Memph which had total assets of $3,473,151 on May 1, 1933, adopted a pl

of voluntary liquidation. After depositing cash to be held in the United States Treasury for payment of remaining bonds and coupons and placing funds under escrow agreement to cover other miscellaneous obligations, a final liquidating dividend was declared with the approval of the Farm Credit Administration on December 8, 1937, and the charter canceled on December 13, 1937. The charter of the Corn Belt Joint Stock Land Bank of Taylorville, Ill., which had $868,464 of assets on May 1, 1933, was canceled in 1934.

Funds obtained from the liquidation of assets have been used mainly for the purpose of retiring the secured indebtedness of the banks. Bonds and notes payable of the 41 banks have been reduced from $407,905,424 on May 1, 1933, to $140,334,761 on December 31, 1937, a reduction of $267,570,663, or 65.6 percent. The variations among the banks in the percentage of outstanding obligations retired are similar to the variations in the percentage of assets liquidated.

The table above indicates that the amount of liquidation has been diminishing during recent years. This is a natural consequence of the smaller volume of assets remaining but has resulted more particularly from the reduction in the amount of loans refinanced by the Federal land banks and the Land Bank Commissioner. During 1933, 1934, and the early part of 1935, the volume of such refinancing was very large and resulted in rapid reduction of the total assets and liabilities. In more recent years there have been fewer loans eligible for refinancing by these agencies. While the total amount of loans being refinanced has declined the percentage of investment in the loans recovered has increased, reflecting in part the improvement in general

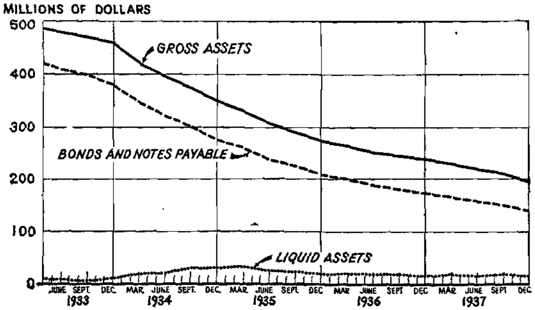


FIGURE 17.

PROGRESS IN LIQUIDATION.

gricultural conditions. The investment in loans refinanced by Fed-
ral land banks or the Land Bank Commissioner and by other agencies
nd the percentage of recovery is shown, by years, in the following
able:

Investment in and recovery on loans refinanced May 1, 1933–Dec. 31, 1937, by years

Period	Refinanced by Federal land banks or Land Bank Commissioner		Refinanced by other agencies	
	Investment	Percent of investment recovered	Investment	Percent of investment recovered
May 1 to Dec. 31, 1933	$9,041,438	92.6	$5,530,522	83.4
1934	90,500,101	91.9	2,513,141	89.0
1935	31,351,467	89.2	6,412,791	97.8
1936	7,665,429	96.8	6,266,539	96.2
1937	3,075,698	97.0	7,137,521	99.2
Total	141,624,133	91.7	29,869,514	94.4

Since May 1, 1933, 73.8 percent of total mortgage loans outstanding on that date have been liquidated. Loans sold and paid in full by borrowers represented 44.5 percent, amortization and special payments represented 6.6 percent, foreclosures and voluntary deeds amounted to 20.8 percent while charge-offs and miscellaneous adjustments repre-

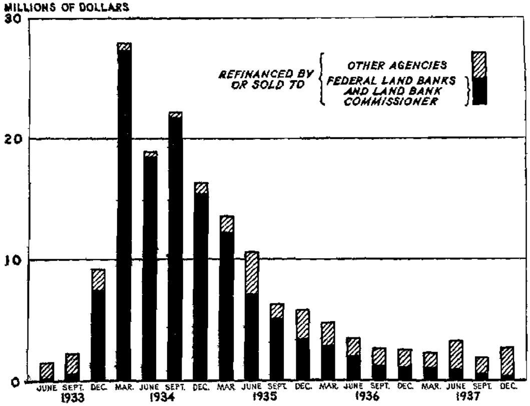


FIGURE 18.

LOANS REFINANCED OR SOLD BY BANKS NOT IN RECEIVERSHIP.

sented 1.9 percent. During this period 393 loans were added to the mortgage account representing refunding loans or purchase money mortgages approved as eligible collateral for bonds.

Additional details showing the changes in the principal classes of assets and liabilities during the past year are given in the following table:

Changes in assets and liabilities during 1936 and 1937, excluding banks in receivership

[In thousands of dollars]

Item	Amount outstanding Dec 31		Amount of change during year		Percent change during year	
	1936	1937	1936	1937	1936	1937
ASSETS						
Mortgage loans	$125,385	$99,276	−$34,742	−$26,109	−21.7	−20.8
Purchase money mortgages, contracts, etc	21,863	25,242	4,945	3,379	29.2	15.5
Cash and securities	21,006	17,076	323	−3,930	1.6	−18.7
Real estate, sheriffs' certificates, etc	50,969	49,249	−1,839	−1,720	−3.5	−3.4
Other assets	4,238	3,509	−1,386	−729	−24.6	−17.2
Total	223,461	194,352	−32,699	−29,109	−12.8	−13.0
LIABILITIES						
Bonds	163,450	133,172	−35,056	−30,278	−17.7	−18.5
Notes payable	9,381	7,163	2,108	−2,218	29.0	−23.6
Miscellaneous liabilities	7,339	5,919	1,145	−1,420	18.5	−19.3
Capital stock and paid-in surplus	36,503	35,802	−79	−701	−.2	−1.9
Earned surplus, reserves, and undivided profits	6,788	12,296	−817	5,508	−10.7	81.1
Total	223,461	194,352	−32,699	−29,109	−12.8	−13.0

Tables 78 and 79 in the appendix show for individual banks the changes in total assets and bonds and notes payable as well as the changes in the principal classes of assets.

REAL ESTATE

The foregoing table indicates that there was an increase during the year in purchase money mortgages, contracts, etc., while there was a decrease in real estate, sheriffs' certificates, etc. The increase of $3,379,000 in purchase money mortgages and contracts was a result of the sale of 2,550 farms and 501 part farms representing an investment of $18,051,767 and a carrying value of $15,525,124. The total consideration received for these sales was $17,096,537, representing 94.7 percent of investment and 110.1 percent of carrying value. The banks generally attempt to obtain as large a portion as possible of the purchase price in cash. The average percent of the

sale price represented by cash received within 12 months from date of sale was approximately 44 percent, the individual bank averages varying from 21 to 96 percent. The banks usually receive a contract or purchase money mortgage for the portion of the sale price not received in cash and these deferred obligations account for the increase in the amount of purchase money mortgages and contracts held by the banks.

During the year the banks acquired a total of 1,259 farms, sheriffs' certificates, etc., representing an investment of $8,951,148. This amount was substantially smaller than in previous years, and since it did not exceed the sales during the year, the investment in real estate, sheriffs' certificates, etc., owned by the banks decreased by $8,911,497 in 1937.

The following table shows by years the investment in and recoveries made on real estate sold, the investment in real estate acquired and the investment in real estate owned at the end of each year. The number of units in each case is shown also:

Farms and sheriffs' certificates sold and acquired during each year, and on hand at end of year, May 1, 1933—Dec. 31, 1937

Period or calendar year	Sold				Acquired		On hand Dec. 31	
	Number		Investment	Percent of investment recovered	Number	Investment	Number	Investment
	Whole	Part						
May 1 to Dec. 31, 1933	1,719	311	$11,820,509	74.2	2,275	$16,708,424	7,965	$61,865,379
1934	3,280	432	19,754,168	82.0	3,834	25,179,409	8,515	67,438,588
1935	3,072	504	19,791,934	90.5	3,710	23,918,400	9,122	71,250,480
1936	2,939	625	20,153,100	90.4	2,289	15,496,130	8,456	67,325,449
1937	2,550	501	18,051,767	94.7	1,259	8,951,148	7,098	58,413,952
Total	13,560	2,373	89,571,478	87.3	13,367	90,253,511		

BOND OPERATIONS

The banks continued during 1937 to use cash proceeds from liquidation for the purpose of retiring bonds and notes payable. Bonds outstanding decreased $30,277,519 and notes payable decreased $2,218,296, making a total decrease in secured obligations of $32,495,815, or 18.8 per cent.

The following summarizes the changes in the outstanding bonds of joint stock land banks during 1937:

utstanding Dec. 31, 1936:		
In hands of investors	$163, 449, 217	
Banks' own bonds on hand	4, 273, 790	
		$167, 723, 007
sued during 1937		24, 256, 000
Total		191, 979, 007
etired during 1937		55, 190, 909
utstanding Dec. 31, 1937:		
In hands of investors	$133, 171, 698	
Banks' own bonds on hand	3, 616, 400	
		136, 788, 098

It will be seen that during the year, bonds in the total amount of 24,256,000 were issued. These represented refunding bonds issued y 8 banks for the purpose of retiring higher interest rate bonds. he amount issued during 1937 brought the total of refunding bonds sued since the beginning of the period of liquidation to $44,061,000 y 12 banks. A number of these banks placed themselves in a position to issue bonds by securing all outstanding bonds with eligible ollateral through the aid of loans obtained on the security of ineligible ssets.

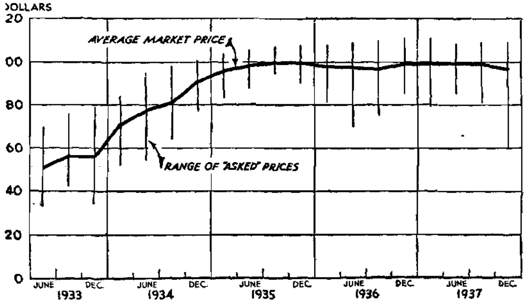


FIGURE 19.

AVERAGE QUARTERLY MARKET PRICES AND RANGE OF ASKED PRICE FOR BONDS.

A total of 21 banks called $41,657,900 of bonds at par during 1937. his number included banks which called bonds in connection with

refunding operations as well as banks which did not issue bonds but used funds accumulated from liquidation. In addition to those called for redemption, bonds were purchased in the market from time to time by banks having funds available for that purpose. The total retirements of bonds by all banks arising either from call or from purchase amounted to $55,190,909.

The Farm Credit Act of 1937 included a provision which applies also to Federal land banks and which gives joint-stock land banks the same general power to buy and sell Federal Farm Mortgage Corporation bonds as they have had to buy and sell United States Government bonds. Amortization and other payments on the principal of first mortgages pledged with the farm loan registrar as bond collateral may now be invested in Federal Farm Mortgage Corporation bonds.

Table 84 in the appendix shows by banks the bonds issued and the bonds retired during 1937 and outstanding December 31, 1937.

FINANCIAL CONDITION

The condition of the mortgage loans which constitute the principal assets of the banks improved during the 12-month period. The percentage of the amount of loans that were delinquent declined from 30.1 percent on December 31, 1936, to 24.4 percent on December 31, 1937. While this improvement to some extent reflects more favorable agricultural conditions in certain sections, it resulted also from the elimination of some delinquent mortgages by foreclosure or voluntary deed. At the end of the year the banks had 21,423 loans in the unpaid principal amount of $76,106,298 upon which no installments were in default; these loans constituted 38.9 percent of the banks' total assets. There were 4,248 loans amounting to $24,516,940 delinquent, representing 12.5 percent of the banks' total assets.

Other interest bearing assets on hand December 31, 1937, comprised purchase money mortgages, real estate sales contracts, and notes receivable in the gross amount of $25,241,830, or 12.9 percent of the total assets. Of this amount $19,619,532 was in good standing and $5,622,298 delinquent. Cash and securities on hand aggregated $17,076,296, or 8.7 percent of assets. The total of all cash and interest bearing securities, loans, mortgages, contracts, and notes constituted 73.0 percent of all assets on that date as compared with 73.6 percent at the beginning of the year. At the year's end, real estate, sheriffs' certificates, and judgments comprised 24.5 percent of the banks' assets; this represented an increase from 23.9 percent on December 31, 1936. On December 31, 1937, the real estate, sheriffs' certificates, judgments and other low-income-producing

assets in the form of delinquent loans, mortgages, and contracts comprised 49.9 percent of the total assets of the banks.

During the year 30 banks operated at a cash loss, largely because a relatively large proportion of their assets was in the form of real estate, sheriffs' certificates, judgments, and delinquent loans. The remaining 11 banks operating at a cash gain included a number that had greatly improved their earning position through the refinancing of high-rate bonds with lower-rate bonds or loans. The total cash operating income received by the 41 banks during 1937 from mortgages, securities, real estate, and other sources amounted to $11,753,851, while the interest and operating expenses of the banks required the disbursement of $12,952,646.

The Farm Credit Administration approved payment of 11 dividends during 1937. The Maryland-Virginia Joint Stock Land Bank paid four liquidating dividends under its plan of voluntary liquidation as follows: 30 percent on April 30; 10 percent on August 2; 10 percent on September 6; and 47.2 percent on December 31. The California Joint Stock Land Bank also paid a 210 percent liquidating dividend on December 27 under its plan of voluntary liquidation. The Pacific Coast Joint Stock Land Bank of Salt Lake City paid two dividends of 50 percent each: one on February 1 and the other on July 1. The Pacific Coast Joint Stock Land Bank of San Francisco paid two dividends of 100 percent each: one on May 28 and the other on December 2. A 6 percent dividend was declared by the Union Trust Joint Stock Land Bank of Indianapolis, payable on or before December 31. The Tennessee Joint Stock Land Bank declared a final liquidating dividend under its plan of voluntary liquidation payable December 11, 1937. This dividend consisted of all the remaining assets of the bank, the total carrying value of which was $1,336,929, and was paid to stockholders.

LOANS TO JOINT STOCK LAND BANKS

As a means of expediting the required liquidation of the banks, sections 30 and 31 of the Emergency Farm Mortgage Act of 1933 authorized the Reconstruction Finance Corporation to make available to the Land Bank Commissioner for a period of 2 years the sum of $100,000,000. This was designed to be used for the purpose of making loans to joint stock land banks under certain specified conditions.

The authority to make such loans was extended to May 13, 1937, by the Farm Credit Act of 1935. The Farm Credit Act of 1937 did not further extend the provision for making loans under section 30 but

continued until July 1, 1938, the authority to make loans under section 31. The 1937 act provides that the funds available for loans under section 31 are to be reduced from $25,000,000 to $2,000,000 and are to be provided by the Federal Farm Mortgage Corporation. The borrowing bank must agree that for a period of 1 year from the date of the loan it will not foreclose any mortgage in connection with which the loan was made unless the mortgaged property is abandoned by the mortgagor or unless the Land Bank Commissioner consents to the foreclosure for other reasons.

No loans were ever made under section 30 of the Emergency Farm Mortgage Act. Since the time when loans under section 31 were first authorized in 1933 a total of $2,082,679 has been loaned to 12 banks. Of this amount $75,000 was loaned during 1937. On December 31, 1937, there were outstanding loans in the total amount of $78,710 to two banks.

As mentioned elsewhere in this report, the Farm Credit Act of 1937 authorized the Federal Farm Mortgage Corporation to make loans to Federal land banks on the security of real estate mortgages, sheriffs' certificates, sales contracts, and real estate upon terms and conditions to be prescribed by the directors of the Corporation. The Corporation was authorized to make similar loans to joint stock land banks with the limitation, however, that the aggregate amount of such loans may not at any one time exceed $10,000,000. No loans have been made to joint stock land banks under this provision.

JOINT STOCK LAND BANKS IN RECEIVERSHIP

There were no new joint stock land bank receiverships during 1937. Altogether, eight banks have been placed in the hands of receivers. Final liquidating dividends have been declared by the receivers of three banks. The receivers of the remaining five banks continued their program of converting the assets in their trusts into liquid form and disbursing the proceeds to creditors in the form of liquidating dividends when approved by the Farm Credit Administration.

PROGRESS IN LIQUIDATION

The five banks in receivership on which final liquidating dividends have not been declared and the dates they were placed in receivership are as follows:

Burlington Joint Stock Land Bank of Des Moines	Dec. 12, 1936
Chicago Joint Stock Land Bank	Oct. 1, 1932
Oregon-Washington Joint Stock Land Bank of Portland	May 1, 1936
St. Louis Joint Stock Land Bank	June 1, 1932
Southern Minnesota Joint Stock Land Bank of Minneapolis	May 2, 1932

The progress made in the liquidation of these five banks during 1937 is indicated in the following table:

Reduction of assets of joint stock land banks in receivership during 1937

Assets	Book amount Dec. 31		Change during 1937	
	1936	1937	Amount	Percent
Mortgage loans	$6,822,899	$4,727,560	-$2,095,339	-30.7
Purchase money mortgages and contracts	3,927,862	4,149,359	221,497	5.6
Real estate, sheriffs' certificates, etc	16,606,301	14,002,976	-2,603,325	-15.7
Other assets except cash and securities	114,528	63,169	-51,359	-44.8
Total	27,471,590	22,943,064	-4,528,526	-16.5
Cash and securities	3,798,826	5,308,854	1,510,028	39.7
Grand total	31,270,416	28,251,918	-3,018,498	-9.7

Of the reduction in the amount of mortgage loans $1,070,647 resulted from sale or refinancing. The average recovery on the disposition of these loans was 95.9 percent of the book value. During the year 473 farms and sheriffs' certificates and 57 parts of farms, representing a book value of $3,552,660, were sold by the five receivers, for which a total consideration of $2,824,104, or 79.5 percent of the book value, was received.

Additional details relating to the operations of the receivers are given in tables 86 to 88, inclusive, of the appendix.

BURLINGTON JOINT STOCK LAND BANK RECEIVERSHIP

The Burlington Joint Stock Land Bank of Des Moines was chartered in 1923. At the time it was placed in receivership on December 12, 1936, it had farm loan bonds outstanding in the total amount of $667,400 and assets having a book value of $849,191. Since the receiver, John B. Gallagher, is also receiver of the Chicago Joint Stock Land Bank the files and records of the receivership have been transferred to Chicago, and the administration of the two receiverships is handled from the same office, located at 134 South LaSalle Street. At the close of 1937 the assets of the bank consisted of cash and United States Government securities in the total amount of $79,343 and other assets having a book value of $572,592. No liquidating dividends have been paid by the receiver.

CHICAGO JOINT STOCK LAND BANK RECEIVERSHIP

The corporate name of the Chicago Joint Stock Land Bank when originally chartered in 1917 was the First Joint Stock Land Bank of Chicago. Since then the name has been changed to Chicago Joint Stock Land Bank. At the time the receiver was appointed on October 1, 1932, the bank had farm loan bonds outstanding in the amount of $42,724,100 and assets having a book value of $44,739,586. Following the initial dividend of 30 percent of the bond obligations of the bank, declared September 14, 1934, three successive dividends of

10 percent each were declared during 1935 and two of 5 percent each during 1936. One dividend of 2½ percent was paid in 1937.

These dividends, which totaled $31,614,878, were declared from proceeds obtained in liquidating assets pledged as security for farm loan bonds issued and were payable on bond obligations of the bank which had not matured prior to October 1, 1932. In addition to the foregoing dividends a first and final dividend in the amount of $44,754—which is equal to unpaid coupons matured prior to October 1, 1932, appertaining to bonds of the bank—was declared March 8, 1935, out of funds set aside in trust by the bank prior to receivership for the payment of such coupons. This dividend was payable to the registered holders of the certificates issued by the receiver whose names appeared upon the books of the receiver at the close of business on March 15, 1935. Holders of bond obligations of the bank who have not made delivery to the receiver and proved their claims will receive the dividend, or dividends, to which they are entitled when they make proof of their claims. On December 31, 1937, the remaining assets of the bank included $874,562 of cash and United States Government securities, and other assets having a total book value of $5,394,989.

OREGON-WASHINGTON JOINT STOCK LAND BANK RECEIVERSHIP

The Oregon-Washington Joint Stock Land Bank of Portland, which was placed in receivership on May 1, 1936, was chartered in 1922. On the date of receivership the bank had farm loan bonds outstanding in the aggregate amount of $2,038,500 and assets in the total book amount of $2,464,247. At the end of 1937 the assets of the bank included cash and United States Government securities totaling $476,014 and other assets having a book value of $1,825,219. Payment of liquidating dividends has been delayed pending the filing with the receiver of proofs of claim by creditors.

ST. LOUIS JOINT STOCK LAND BANK RECEIVERSHIP

The St. Louis Joint Stock Land Bank was chartered in 1922. In 1925 it acquired the assets and assumed the liabilities of the Central Illinois Joint Stock Land Bank of Greenville and the Southeast Missouri Joint Stock Land Bank of Cape Girardeau. When the bank was placed in receivership it had farm loan bonds outstanding in the amount of $18,134,500 and assets having a total book value of $18,581,815.

On May 1, 1935, the first dividend of 20 percent was declared and ordered to be paid to the holders of receiver's certificates registered on the books of the receivership at the close of business on May 15,

1935. Second and third dividends of 10 percent each were paid on January 25 and November 28, 1936, respectively. The total amount of these dividends is $7,365,882.

Holders of bond obligations of the bank who have not delivered their bonds to the receiver and proved their claims will be paid the dividends when their proofs of claim are duly filed. On December 31, 1937, the remaining assets included cash and United States Government securities in the total amount of $3,082,763 and other assets having a book value of $4,857,289. Payment of additional dividends has been withheld pending disposition of litigation affecting the assets of the trust.

The bondholders' protective committee of the St. Louis Joint Stock Land Bank published a plan on October 16, 1934, under which the committee proposed to take over and liquidate the bank's assets. This plan, which was described in the second annual report of the Farm Credit Administration, has not yet become operative because sufficient percentage of the outstanding bonds issued or assumed by the bank has not been deposited with the committee. The time for depositing bonds has been extended to November 15, 1938.

SOUTHERN MINNESOTA JOINT STOCK LAND BANK RECEIVERSHIP

The Southern Minnesota Joint Stock Land Bank of Minneapolis was originally chartered in 1919 under the corporate name of Southern Minnesota Joint Stock Land Bank of Redwood Falls, Minn., where it was then located. In 1923 this bank acquired the assets and assumed the liabilities of the First Joint Stock Land Bank of Minneapolis. In 1926 its principal office was moved to Minneapolis, and its corporate name was changed to the Southern Minnesota Joint Stock Land Bank of Minneapolis.

At the time the bank was placed in receivership on May 2, 1932, it had farm loan bonds outstanding in the aggregate amount of $21,038,-700 and assets having a total book value of $22,658,955. A first dividend of 20 percent of the bond obligations of the bank was declared on January 14, 1935, and a second dividend of 10 percent on September 17, 1935, A third dividend of 6 percent was declared as of June 24, 1937. These dividends, which totaled $7,772,864, were declared from proceeds of liquidated assets pledged as security for farm loan bonds issued or assumed by the bank. The dividends were payable to holders of receiver's certificates registered on the books of the receivership as of January 31, 1935, September 30, 1935, and June 24, 1937, respectively.

Holders of bond obligations of the bank who had not made delivery to the receiver and proved their claims prior to January 31, 1935, will be paid the dividend when their proofs of claim are duly filed. At the end of 1937 the assets of the bank included $796,172 of cash

and United States Government securities and other assets having a total book value of $10,292,975.

THE WASHINGTON OFFICE OF THE FARM CREDIT ADMINISTRATION

The Farm Credit Administration was established to take over administration of several already established and widely scattered governmental agencies dealing with agricultural credit, thereby changing the form of administration of these several agencies from government principally by boards to central responsibility. This transfer of authority was authorized by Executive Order No. 6084. The Farm Credit Act of 1933 added the production credit system and the banks for cooperatives to the structure of the Farm Credit Administration.

The existing governmental agencies thus brought under the Farm Credit Administration included the Federal Farm Board; Federal Farm Loan Board; the powers of the directors of the Reconstruction Finance Corporation dealing with regional agricultural credit corporations; and the powers of the Secretary of Agriculture concerning the administration of emergency crop and feed loans. Centralization under a single authority of formerly scattered and independent agencies dealing with agricultural credit under Federal sponsorship was thus achieved.

Authority over all these instrumentalities and powers of directorate was transferred to the Farm Credit Administration and its Governor. Associated with him on the staff of the Farm Credit Administration in Washington are three Deputy Governors; the Land Bank Commissioner; the Intermediate Credit Bank Commissioner; the Production Credit Commissioner; the Cooperative Bank Commissioner; a general counsel; and directors of other credit agencies and service divisions.

The Land Bank Commissioner not only has supervision over the work of the 12 Federal land banks in the field, but regulates the making of Commissioner loans in the Farm Credit districts and maintains supervisory authority over the joint stock land banks, now in liquidation. The province of the Production Credit Commissioner extends over the 12 production credit corporations and embraces supervision of the emergency crop and feed loan offices. The 12 Federal intermediate credit banks are immediately under the authority of the Intermediate Credit Bank Commissioner. The Central Bank for Cooperatives at Washington, D. C., and the 12 district banks of like

character are under the administrative authority of the Cooperative Bank Commissioner; also, the Division in the Washington office supervises the activities of its Research, Service, and Educational Section.

WORK OF THE DIVISIONS

As with every large business institution, integration of the work is done through the various divisions closely coordinated in the Washington office and cooperating with the 12 district offices of the Farm Credit Administration. In the Administrative Division a central personnel office, operating with personnel officers in the field, continued over the past year to formulate employee classification, compensation standards, and other personnel fundamentals. A planning subdivision served both the Washington and district offices in matters relating to organization, procedure, and business methods. A Division of Information and Extension disseminated through avenues of the press and radio and through pamphlets and other publications information concerning the functions and activities of the Farm Credit Administration; also, it continued to promote knowledge of agricultural credit in the field through cooperation with the Extension Service of the Department of Agriculture.

EXAMINATION DIVISION

The Examination Division is responsible for making examinations of all institutions and agencies operating under the jurisdiction of the Farm Credit Administration, with the exception of the emergency crop and feed loan offices. It is also responsible for analyzing and interpreting the information contained in examination reports. In addition, it conducts such special or confidential investigations as are authorized by the Governor. A summary of the number of institutions examined, the number of examinations scheduled, and the number of examinations completed during the year ended December 31, 1937, is shown in the following table.

Effective as of January 1, 1937, the number of field examining territories was reduced from five to four. The divisional offices which operate under the direction of supervising examiners are located at Washington, D. C., Memphis, Tenn., St. Paul, Minn., and Portland, Oreg.

On December 31, 1937, the examining staff numbered 169, of whom 142 were assigned to the field and 27 to the central office.

Examinations scheduled and made, 1937

Organization	Number of organizations examined	Number of examinations scheduled	Number of examinations made
Bank and corporation unit:			
Federal land banks	[1] 12	24	24
District offices of the Federal Farm Mortgage Corporation	[1] *12*	*24*	24
Federal intermediate credit banks	[1] 12	24	24
Production credit corporations	[1] *12*	*12*	12
Banks for cooperatives	[2] 13	26	26
Registrars' offices	12	24	24
General agents' offices	12	24	24
Federal Farm Mortgage Corporation	1	2	2
Registrar Section	1	1	1
Custodian of Securities	1	1	1
Office of Fiscal Agent	1	2	2
Washington Accounting Section	1	1	1
Agricultural Marketing Act revolving fund	*1*	*1*	1
Regional agricultural credit corporations	16	32	32
Joint stock land banks in receivership	*8*	13	13
Joint stock land banks	43	86	[3] 87
Association unit:			
National farm loan associations	4,906	4,906	[4] 4,906
Loan correspondents	394	394	394
Production credit associations	554	554	[5] 554
Credit union unit:			
Federal credit unions	985	985	985

[1] Puerto Rico office included but not counted separately
[2] Includes Central Bank for Cooperatives, Washington, D. C.
[3] Includes additional examination of the Tennessee Joint Stock Land Bank in connection with final liquidation.
[4] 249 reexaminations and 3 examinations of unchartered associations not included.
[5] Reexaminations not included.

FINANCE AND RESEARCH

The Division of Finance and Research furnishes the operating divisions of the Farm Credit Administration in Washington, and the various banks, corporations, and offices which it supervises, continuous services in the field of finance, accounting, statistics, and economic research. During 1937 the Division analyzed and compiled complete data on the operations and financial requirements of the institutions under the Farm Credit Administration. The Division executed programs for the Federal land banks and intermediate credit banks involving the printing, issuance, sale, exchange, redemption, and cancelation of farm loan bonds and intermediate credit bank debentures. It handled the purchase and sale of securities for the investment accounts of several banks and corporations under the supervision of the Farm Credit Administration; and the deposit and release of cash and securities for their account in the Treasury Department and the Federal Reserve banks.

Through the 12 farm loan registrars—1 in each Farm Credit district—the Division of Finance and Research last year, as previously,

had custody of all mortgages, notes, and other collateral deposit, as security for bonds and debentures issued by the Federal land banks, joint stock land banks, and Federal intermediate credit banks. Appropriate records concerning this custody were maintained. The Division also held in safekeeping loan documents and related papers in behalf of the Federal Farm Mortgage Corporation and the district banks for cooperatives.

The Division maintained the books and accounts of the Agricultural Marketing Act revolving fund; the Central Bank for Cooperatives; the central office of the Federal Farm Mortgage Corporation; the control accounts of the emergency crop and feed loan offices; as well as the accounting records covering appropriations and fund accounts and budgetary transactions. Through 12 district comptrollers—1 in each Farm Credit district—the Division directed and supervised the internal audit program of the Federal land banks, Federal intermediate credit banks, production credit corporations, and banks for cooperatives.

From reports submitted monthly by each of the institutions and offices under the supervision of the Farm Credit Administration the Division reviewed and analyzed operating and statistical data; these analyses were published monthly. Moreover, quarterly reports embodying consolidated statements of condition of the several credit units and comments thereon were prepared and published.

Through 12 district statisticians—1 in each Farm Credit district—State colleges, experimental stations, and the Department of Agriculture, the Division of Finance and Research conducted or participated in agricultural research essential to the intelligent extension of credit to agriculture through Farm Credit Administration banks and corporations. Indicative of the type of projects and studies now under way are those involving land classification and loan experience; research in the field of livestock credit; price studies of farm commodities; preparation of estimates on farm mortgage recordings; and releases and foreclosure sales by States and by type of lender. Also going forward are studies of the real estate problems of the Federal land banks and the Federal Farm Mortgage Corporation, including the cost of holding property and other undertakings of similar characters.

LEGAL DIVISION

LITIGATION

The litigation of farm credit institutions, except that of a local character, is supervised by a Litigation Section of the Legal Division, under the immediate direction of the General Solicitor. The banks and corporations of the farm credit system report all cases which involve interpretation of acts of Congress or rules and regulations issued thereunder, or the legal effect of standard business practices.

'his procedure insures uniformity in the presentation of legal questions o the courts and minimizes the duplication of legal research in district ffices.

Throughout the past year, the Litigation Section has cooperated ith the Farm Credit Administration's institutions in developing prac-ices which conform with recent Federal and State legislation for the elief of farmer-debtors. The institutions have been constantly onfronted with perplexing questions arising under section 75 of the ankruptcy Act. Also, they have been faced with serious problems s the result of State laws which alter the remedies available to ortgagees—such as moratoria, limitations upon the right to defi-ency judgments, etc. The institutions have resisted the applicability f State laws only in rare instances, where compliance would have irrendered important and valuable constitutional rights.

The following statement outlines under appropriate subheads the ost significant litigation of the past year.

EDERAL LAND BANKS, NATIONAL FARM LOAN ASSOCIATIONS, AND JOINT STOCK LAND BANKS

In February of 1937, the Supreme Court of the United States ecided a case of fundamental importance to the entire land bank stem: *Knox National Farm Loan Association and Federal Land ank of Louisville* v. *Phillips* (300 U. S. 194). The court construed ctions 7 and 8 of the Federal Farm Loan Act (12 U. S. C., secs. 21, 733), which control the issuance and retirement of capital stock . connection with loans made by a Federal land bank through a ational farm loan association. The decision holds:

(1) Where the capital of a national farm loan association is im-ired, a member may not withdraw the amount represented by the ir value of his shares, thereby casting upon his fellow members e responsibility for defaults, for which all should answer ratably in oportion to their interests.

(2) When a national farm loan association is insolvent, neither nor the Federal land bank is under a duty to give the association's ithdrawing member a preference over other members, through the turn of his subscription to stock in the association.

(3) A national farm loan association is a cooperative enterprise. s whole structure is built upon the implication of equal rights and ities on the part of cooperating members.

(4) The Federal Farm Loan Act impliedly forbids a judgment for e par value of stock of a national farm loan association whose pital is impaired.

(5) A State court does not have jurisdiction to wind up the busi-ss of a national farm loan association by receivership or otherwise. he association is an instrumentality of the Federal Government

and the time and manner of its liquidation are governed by the Federal Farm Loan Act.

In August of 1937, the Supreme Court of Washington decided a case of importance to the Farm Credit system: *The Federal Land Bank of Spokane* v. *Wolfe et al.* The case involved the Federal land bank's right to invoke the jurisdiction of the courts in the State of Washington, without having paid the corporate license fees which the laws of that State require of "every bank and corporation other than a national bank or national banking association." The court held (on the authority of *Smith* v. *Kansas City Title and Trust Co.*, 255 U. S. 180, and other cases) that the Federal land bank is an instrumentality of the Government of the United States, established pursuant to a valid act of Congress, and free from taxation, control, or interference by the State. Therefore, the statutes of Washington which otherwise would prohibit recourse to the State courts without payment of an annual license fee do not apply to the Federal land bank. The court relied upon article VI of the Constitution of the United States.

The decision in *Federal Land Bank of Spokane* v. *Wolfe* (above) is of particular interest to Farm Credit Administration institutions at the present time. In a number of instances, banks and corporations of the Farm Credit system have met with the contention that their contracts are void or unenforceable under State law, because of their failure to pay corporate license fees. The *Wolfe* decision affirms the view of the Farm Credit Administration, and is the first case to be determined by a court of last resort. Up to the present time, no adverse decision has been rendered by any tribunal before which the question has arisen.

Many questions involving State taxes that affect the corporate units of the Farm Credit Administration directly or indirectly have arisen within the past year. Since these corporations are tax exempt by statute, it has devolved upon the Legal Division to make a study of all tax problems as they arise and to give particularly careful consideration to any problems which are likely to develop into litigation.

JOINT STOCK LAND BANKS IN RECEIVERSHIP

The case of *Ernest E. Andrews* v. *St. Louis Joint Stock Land Bank et al.*, mentioned in the last two annual reports, is still pending before the United States District Court for the Eastern District of Missouri. The plaintiff is the holder of a bond issued by the Central Illinois Joint Stock Land Bank of Greenville, Ill. Upon liquidation of that bank in 1925, the St. Louis bank purchased its assets and assumed its liabilities under the provisions of the Federal Farm Loan Act. Thereupon, the collateral which had been pledged with the farm loan registrar as security for bonds of the Greenville bank was merged with

the collateral pledged to secure all bonds issued and assumed by the St. Louis bank. The St. Louis bank subsequently became insolvent and it is now being liquidated by a receiver under the direction of the Farm Credit Administration. Plaintiff seeks to compel a segregation of the collateral security originally pledged by the Greenville bank; and also seeks to establish, for himself and other holders of Greenville bonds, a preferred claim against all other assets of the St. Louis bank.

As stated in previous annual reports, it has been the view of the Farm Credit Administration that collateral pledged with the farm loan registrar is to be regarded as collective security for all outstanding bonds which were issued, or liability for which was assumed by a land bank, without segregation, and that the proceeds of liquidation of such collateral must be distributed pro rata among the bondholders according to their respective holdings of bonds.

While the case was pending, Andrews filed three other suits in the State of Illinois, based upon the theory outlined above. Upon application of the receiver of the St. Louis Joint Stock Land Bank, a decree was issued by the court having jurisdiction over the main case, enjoining Andrews and his counsel from further prosecuting the Illinois cases, or instituting any similar suits, pending the determination of the principal case.

In June of 1937, the United States District Court for the Southern District of Illinois, Southern Division, decided still another case which had been instituted by Andrews: *Ernest E. Andrews* v. *Kaeser et al.* In that action, which was referred to in the last annual report, plaintiff sought to obtain judgments against the former shareholders and officers of the liquidated Central Illinois Joint Stock Land Bank of Greenville, Ill. The court dismissed the bill of complaint, holding: That the Greenville bank had been completely and finally liquidated pursuant to the provisions of the Federal Farm Loan Act; and that the agreement of the St. Louis Joint Stock Land Bank to assume the payment of the liabilities of the liquidated bank, when approved by the Federal Farm Loan Board, operated to discharge the liquidated bank and its shareholders from all further liability. The Farm Credit Administration did not participate in this case. However, the decision affirms certain propositions of law which the Farm Credit Administration has asserted and followed in the liquidation of insolvent joint stock land banks.

The Litigation Section has devoted considerable time and attention, during the past year, to the case of *C. E. Partridge et al.* v. *St. Louis Joint Stock Land Bank et al.* The plaintiffs in that case are the holders of bonds issued by the St. Louis Joint Stock Land Bank, and seek to enforce the personal liability of the bank's shareholders. The bill of complaint has been repeatedly amended and enlarged, and at the

present time it raises numerous issues of a complicated character, including a demand that the administrative receiver defray the costs and expenses of the suit. This demand will be strongly resisted by the Farm Credit Administration.

During the past year, conflicting decisions have been rendered by circuit courts of appeals, in cases brought to enforce the personal liability of shareholders of insolvent joint stock land banks. In the case of *Holmberg* v. *Carr*, 86 F. (2d) 727, the Circuit Court of Appeals for the Second Circuit held that an assessment levied upon the shareholders of an insolvent joint stock land bank, in a proceeding before the Federal court of the district where the bank is located, has no extraterritorial effect. Under the rule of that decision, the creditors of the insolvent bank may not bring ancillary proceedings against shareholders residing in other districts to enforce the assessment levied in the original suit. A contrary decision was rendered in the case of *Brusselback* v. *Arnovitz*, 87 F. (2d) 761, where the Circuit Court of Appeals for the Sixth Circuit held that an ancillary suit would lie to enforce an assessment levied against the shareholders of an insolvent joint stock land bank, by the Federal court of the district where the bank is located. It is expected that this conflict of decisions will be resolved during the present term of the Supreme Court of the United States, since a writ of certiorari was issued at the commencement of the term, to review the decision in the *Brusselback* case. The Farm Credit Administration took no part in the litigation of these two cases, because it has no authority to enforce the personal liability of the shareholders of insolvent joint stock land banks (*Wheeler* v. *Greene*, 280 U. S. 49).

FEDERAL FARM MORTGAGE CORPORATION

Suits by and against the Federal Farm Mortgage Corporation are handled by counsel for the Farm Credit districts. The Litigation Section maintains close supervision over the conduct of all cases arising under acts of Congress, or involving difficult questions of law or policy. Local actions are handled entirely by district counsel.

The Corporation has met with continued success in the prosecution of "scale-down" cases, which were described at some length in the last annual report. The Corporation has also been involved in numerous suits of many kinds throughout the country—none of which raise questions of general importance.

THE COOPERATIVE DIVISION

In the last three annual reports reference has been made to a receivership proceeding, before the United States District Court for the Northern District of Georgia, which involves an old loan made by the Federal Farm Board to the Georgia Cotton Growers Cooperative

Association. During the past year, all substantial questions which were in controversy have been adjusted. Cash payments of more than $181,000 have been made to the Farm Credit Administration by the receiver of the insolvent cooperative association. Further payments will be made from time to time, as the receiver liquidates certain assets which he is administering under the direction of the court.

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

The District Court of the United States for the District of Nebraska, Grand Island Division, npon removal from a State court where the action had been commenced, sustained a demurrer by the regional agricultural credit corporation to the petition of plaintiffs who claimed damages arising in tort. The court in its memorandum opinion indicated that inasmuch as no authority had been granted by Congress to sue regional agricultural credit corporations, that such a cause of action would not lie, and that the court had no jurisdiction in the case. The plaintiff has appealed to the Circuit Court of Appeals of the United States for the Eighth Circuit where the case is now pending.

MISCELLANEOUS LITIGATION

During the past year 435 civil cases arising in connection with emergency crop and feed loans have been forwarded to the Attorney General and to the various United States attorneys for consideration. There have also been referred to the Attorney General 8 cases involving agricultural credit loans previously granted by the Secretary of Agriculture and 45 cases involving loans under the supervision of the Cooperative Division. Collections amounting to $394,910.71 have been made during the year as a result of these and other cases previously forwarded to the Attorney General.

A total of 214 cases were brought by or against the regional agricultural credit corporations during the past year. In connection with these cases, and similar cases previously instituted, collections amounting to $140,984.30 have been made.

In addition to these civil cases, 26 cases involving apparent violations of the criminal provisions of various Federal statutes occurring in transactions under the supervision of the Farm Credit Administration have been referred to the Secret Service for investigation and appropriate action, and 66 cases to the Attorney General for such action as he deemed advisable.

The filing of claims against sureties under fidelity bonds has also been done under the supervision of the Litigation Section, and in connection with such claims, collections of $6,491.42 have been made.

The Litigation Section has likewise given attention to the various phases of 1,901 bankruptcy cases involving persons and corporations indebted to the Farm Credit Administration or to institutions operat-

ing under its supervision. After the decision of the Supreme Court of the United States in *Wright* v. *Vinton Branch of the Mountain Trust Bank of Roanoke* (300 U. S. 440) (March 29, 1937), sustaining the validity of subsection (s) of section 75 of the Bankruptcy Act, an increasingly large number of these cases arose under the provisions of that section.

During the year the Litigation Section closed its files on 1,898 civil cases and 202 criminal cases. At the close of the year 3,527 pending cases were on its dockets.

CREDIT UNION SECTION

Federal credit unions are authorized by the Federal Credit Union Act, approved June 26, 1934, which charges the Governor of the Farm Credit Administration with the duty of chartering, regulating, and examining such organizations. The Governor performs these duties with the help of a Credit Union Section set up within the Farm Credit Administration.

Expansion of Federal credit unions continued encouragingly in 1937, although the actual number of new credit unions chartered—because of a shifting of attention by the Credit Union Section from organization to servicing work—was less than in 1936. A total of 638 Federal charters was issued in 1937 as compared with 956 in 1936.

Generally speaking, the greatest gains were registered in those States in which organization of Federal credit unions had already made most progress. New York received the largest number of new charters in 1937, a total of 73; Pennsylvania was second with 58. These two States also head the list in total Federal charters issued to the end of 1937, New York with 294 and Pennsylvania with 296. Other States which had received more than 100 charters over that period were California, 173; Texas, 167; Ohio, 135; Connecticut, 119; and New Jersey, 117.

Federal credit unions continued to be predominantly of the type in which the required bond of association is occupational; this class accounting for 88 percent of the total at the end of the year. The associational group (religious, cooperative, fraternal, etc.) made up 9 percent and the residential group 3 percent. The third classification includes 64 rural credit unions.

An outstanding feature of 1937 developments was the fine record made by credit unions in Hawaii. By the end of the year 60 charters had been issued to Hawaiian groups, which had enrolled approximately 11,000 members and accumulated assets of about $455,000. This achievement was due very largely to activities in 1937, the first Federal credit union having been set up in Hawaii late in 1936.

In membership, assets, and volume of business, growth of Federal credit unions in the United States was very marked in 1937. On September 30, the latest date for which detailed quarterly figures are available at this writing, 1,995 Federal credit unions out of a total of 2,356 chartered up to that time reported a total enrollment of 422,826. As compared with September 30, 1936 (with approximately the same percentage of credit unions reporting), this represented a gain of about 59 percent. Total assets were reported as $16,298,023, a gain of 125 percent; and total loans made since organization as $40,655,209, a gain of 108 percent over the total of 12 months before.

Organized as they are for purely service ends, credit unions must measure their success not only by figures of growth but also by indices of effective and healthy operation. These point to a good year in 1937. Average individual share holdings stood at $36 on September 30 as compared with $26 on September 30, 1936. The ratio of actual to potential membership shows a steady upward curve, being 29 percent at the beginning of 1937 and 34 percent on September 30. Ratio of outstanding loans to shareholdings, indicating the extent to which members' savings are actually at work in providing for members' credit needs, is an accepted criterion of credit union usefulness. This figure, based on the returns cited, stood at 89 percent on September 30, 1937, as compared with 85 percent a year before. Losses from bad loans continue to be extremely low. Out of a total of $40,655,209 of all loans reported during their 3 years' life up to September 30, 1937,

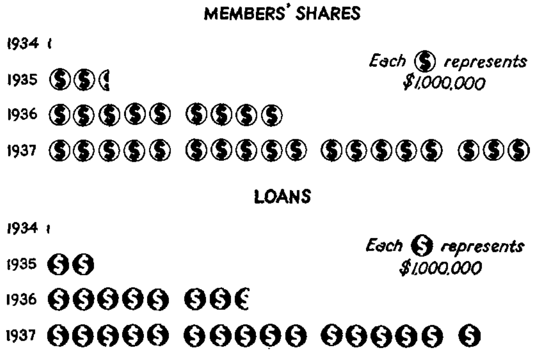


FIGURE 20.

MEMBERS' SHARES AND LOANS IN CREDIT UNIONS.

Federal credit unions had found it necessary to charge off only $8,678, or two one-hundredths of 1 percent, as uncollectible.

SERVICING EMPHASIZED

During the first year or two after the passage of the Federal Credit Union Act much of the activity of the section was devoted to assisting new groups in organizing Federal credit unions. As their number grew it was necessary to give more and more time to the servicing of new credit unions and this branch of its work received the special attention of the section in 1937. The Washington office set up a unit for analyzing reports from credit unions, and the field force devoted the greater part of its time to inspections and surveys.

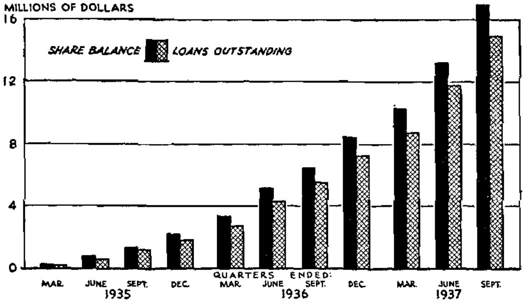


FIGURE 21.

SHARE BALANCES AND LOANS OUTSTANDING, BY QUARTERS.

The steadily growing volume of work both in Washington and in the field made necessary a reorganization of the Credit Union Section, and such reorganization was put into effect in 1937. Two units, that of the Washington office and that of field operations, were created.

The field force was increased during the year to a total of 28. Early in the year a conference of field men was held in Washington, giving its major attention to problems of accounting.

LEGISLATION

Two bills amending the Federal Credit Union Act were passed by Congress and approved by the President during the year The first authorized the use of space in Federal Government buildings for credit unions among Federal employees. The second contained five separate

amendments. One of these gave the Governor of the Farm Credit Administration wider latitude in adjusting examination fees to the circumstances of the Federal credit union examined. Another permitted Federal credit unions to invest in loans to other credit unions and in shares or accounts of Federal savings and loan associations. A third authorized investigations in the small-loan field and the publication and dissemination of the results of the findings. A fourth exempted Federal credit unions from all taxation except on real and tangible personal property. The last one provided that the granting by an employer of facilities to a credit union should not be construed as a form of discrimination prohibited by the National Labor Relations Act.

COOPERATIVE DIVISION—RESEARCH, SERVICE, AND EDUCATIONAL SUBDIVISION

The work of the research, service, and educational staff of the Cooperative Division has been designed to assist cooperatives in meeting practical membership, operating and merchandising problems. Close cooperation is maintained with State experiment stations, extension departments and other State and governmental agencies concerned with the development of agricultural cooperation.

The research and service staff has received many requests for studies of membership problems during the past year. A bulletin has been issued, dealing with the member's position in his cooperative association, means of membership contact, and related problems. In addition, studies have been made of membership relations of particular associations and reports made to their boards of directors.

ORGANIZATION AND FINANCIAL STRUCTURE

Members of the staff have analyzed the financial structure of a number of associations and have assisted them in making such revisions of financial policies as were thought necessary. In some cases analyses of this kind have been made at the request of the banks for cooperatives.

One of the studies dealing with this problem is an analysis of the operations of cooperative cotton gins in Oklahoma and Texas, which has been continued during the past year. Reports concerning the financial status, expenses and incomes of these associations, as well as their operating methods and policies, are being prepared.

Similar studies have been carried on in the cooperative marketing of grain in connection with the problems of cooperative elevators. A preliminary report has been released giving results of studies in Nebraska for 1935–36. The gathering of the third year's data from cooperative elevators and warehouses in the Pacific Northwest has

just been completed. During the fall second-year data were obt from elevator associations in Nebraska, North Dakota, and Mon Data for 1936–37 have also been obtained in South Dakota. I mation regarding the operation of these cooperative elevator tained and analyzed will enable the directors and management o cooperative elevator to measure the progress they have made.

A study has been made of the Mutual Orange Distributors, lands, Calif., and the local associations affiliated with this cooper

In the field of cooperative poultry and egg marketing a bus analysis study of the Utah Poultry Producers Cooperative Associ has been completed. An analysis is now under way of the opera of the Producers Cooperative Commission Association of Cincir a livestock cooperative serving the States of Ohio, Indiana, Kentucky.

ANALYSIS OF OPERATING PROBLEMS

The studies mentioned, and others also, deal with the proble management, costs, accounting methods, investment in facilities general operating policies. As an example, studies of cooper milk marketing associations have been completed in Ohio and Io cooperation with the experiment stations of those States. A s of the operating practices of Mid-West Creameries, Inc., is now u way; in addition studies of the operation of price pools for milk i Boston area, cooperative creamery accounting and problems of cooperatives in the Fourth Farm Credit district are being carrie

Two major studies in cooperative purchasing have been comp One of these, made in cooperation with the Department of Ag tural Economics of the University of Wisconsin, covers the orga tion and operation of cooperative purchasing associations in State. The other relates to the operating methods and policies o Mississippi Federated Cooperatives and its member county ass tions. A study of the operations of the Illinois Farm Supply Co the Indiana Farm Bureau Cooperative Association is being conti

In the field of farmers' mutual fire insurance, attention has given mainly to two projects: A study of the developments problems of farmers' mutual windstorm insurance—now comple and one relating to the standardization of forms and practice farmers' mutual or cooperative fire insurance companies is ne completion.

A mimeographed report giving a statistical summary of mark and purchasing associations in the United States was issued in A miscellaneous project dealing with the operations and accou problems of the Cooperative Farm Women's Market at Beth Md., was also completed during the year.

CHANGES IN MARKETING METHODS

The research and service staff has been studying the merchandising, sales promotion, and advertising policies of a number of fruit and vegetable associations. In addition, studies have been made of the listribution of fruits and vegetables in consuming areas, particularly products handled by cooperative associations. Mimeographed reports giving results of such studies in the Dallas and Omaha trade areas were released during the year. A somewhat similar study is now under way with reference to the marketing of apples by associations in the Pacific Northwest.

The changes in marketing methods mentioned have been maniested by the setting up of country auctions—many of which are cooperative—for the sale of fruits and vegetables, livestock, poultry, and eggs. Studies by the staff of the Division of all three classes of ountry auctions are now nearing completion. Motortruck transortation of fruits and vegetables, its costs, efficiency, and effect on he marketing of these products have been analyzed in two bulletins ecently issued. These publications present for the use of cooperative ssociations and producers an analysis of this system of transportaion, which has made material changes in marketing methods during he past decade.

The research and service staff has begun a preliminary study of he costs and operating problems of some cooperative associations ngaged in the canning of fruit and vegetable products.

SERVICE AND EDUCATIONAL WORK

One of the most frequent calls for service which the Division eceives is from producers requesting a survey of their region for the urpose of analyzing marketing problems and determining the possiilities of a cooperative marketing association in the area. Such irveys have been made in several areas in cooperation with the tate agricultural college and the results presented to the growers at cal meetings. In all cases the decision to form a cooperative sociation has been made by the growers themselves after presentaon of the report by the service agencies. Where the growers decide form a cooperative, the Division acts in an advisory capacity in e development of organization and operating plans.

Surveys of this kind were made during the past year in the potato oducing areas of North Carolina, South Carolina, and the Eastern ore of Virginia. As a result of the work, a cooperative potato arketing association was organized in North Carolina. A number meetings have been held with producers and directors of cooperative sociations handling livestock, grain, cotton, and dairy products in

southern and midwestern States. In the course of the year members of the staff have advised directly with the boards of directors and managers of many cooperatives.

During the past year 17 research projects covering various phases of agricultural cooperation have been completed. The results of these studies have been made available through 10 bulletins, 2 circulars, and 5 miscellaneous reports, which have been issued by the subdivision. In addition a number of informal reports giving the results of surveys or service studies have been made to officials of various cooperative organizations. Thirty-six research projects are now in progress; 5 of these relating to the cooperative marketing of cotton: 5 to the marketing of dairy products; 7 to fruits and vegetables; 6 to grain; 1 to farmers' mutual insurance; 4 to the marketing of livestock and wool; 2 to the cooperative marketing of poultry; and 3 to the cooperative purchasing of farm supplies.

PUBLICATIONS AVAILABLE FROM THE FARM CREDIT ADMINISTRATION

The circulars and bulletins on farm credit and related subjects listed below are available from the Director of Information and Extension, Farm Credit Administration, Washington, D. C.:

FARM MORTGAGE CREDIT

Federal Land Bank Loans and Land Bank Commissioner Loans, Circular No. 1.
Appraising Farms for Mortgage Loans, Circular No. 13.
Selecting and Financing a Farm, Circular No. 14.

PRODUCTION CREDIT

Financing the Farm Business, Circular C.
Credit for Profitable Dairying, Circular D.
Financing Feeders the P. C. A. Way, Circular E.
Loans by Production Credit Associations, Circular No. 3.

FARMERS' COOPERATIVE ASSOCIATIONS

Loans to Farmers' Cooperatives, Circular No. 6.
Organization and Operation of Cooperative Irrigation Associations, Circular C–102.
Western Cattle and Sheep Areas, Circular C–103.
Economic Analysis of Bargaining Problems of Milk Cooperatives, Circular C–104.
Cooperative Fluid Milk Associations in Iowa, Circular C–105.
Cooperative Purchasing of Farm Supplies, Bulletin No. 1.
Cooperative Marketing of Agricultural Products, Bulletin No. 3.
Organization and Operation of the Illinois Livestock Marketing Association, Bulletin No. 5.
Cooperative Marketing of Range Livestock, Bulletin No. 7.
Membership Relations of Cooperative Associations, Bulletin No. 9.
Transportation of Milk in the Philadelphia Milkshed, Bulletin No. 13.
Contract Feeding and Pasturing of Lambs and Cattle, Bulletin No. 15.
Milk Cooperatives in Four Ohio Markets, Bulletin No. 16.
Commercial Trucking of Fruits and Vegetables in Nine Atlantic Coast States, Bulletin No. 17.
Use of Motor Trucks in Marketing Fruits and Vegetables, Bulletin No. 18.

GENERAL AND MISCELLANEOUS

Agricultural Financing Through the Farm Credit Administration, Circular No. 5.
Federal Farm Mortgage Corporation Bonds, Circular No. 8.
Federal Intermediate Credit Banks, Circular No. 7.
The Farmer's Stake in Cooperative Credit, Circular A–7.
Federal Credit Unions, Circular No. 10.
Federal Credit Unions, Cooperative Thrift and Credit, Circular Eye.
How Consumers Cooperate for Credit, Circular A–12.
Farm Credit Quarterly.

APPENDIX

Details regarding the operations of all organizations under the jurisdiction of the Farm Credit Administration are given in tabular form in the appendix to this report. Most of these statistics, as well as the statistical data which appear in the text of the report, were compiled from reports submitted to the Farm Credit Administration by the various institutions.

FEDERAL LAND BANKS AND LAND BANK COMMISSIONER

TABLE 1.—*Applications received, loans closed, and loans outstanding, 1933–37*

Year	Applications received		Loans closed		Loans outstanding Dec. 31	
	Number	Amount	Number	Amount	Number	Amount
1933	[1] 502,470	[1] $2,064,897,403	[1] 79,339	[1] $210,950,776	472,855	$1,303,445,263
1934	402,829	2,043,653,392	496,501	1,283,503,456	953,043	2,532,616,762
1935	162,968	811,081,485	149,972	445,066,549	1,075,008	2,866,051,139
1936	84,030	375,501,853	65,291	186,427,995	1,094,910	2,900,936,491
1937	60,836	247,985,002	37,862	103,111,902	1,091,067	2,848,056,032

[1] May 1, 1933, through Dec. 31, 1933.

TABLE 2.—*Applications received and loans closed during 1937, and loans outstanding, Dec. 31, 1937, by States*

District and State	Applications received during 1937		Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	*Amount*	*Number*	*Amount*	*Number*	*Amount*
District 1:						
Maine	435	$1,331,700	168	$329,500	5,838	$11,820,030
New Hampshire	174	513,500	90	149,400	1,277	2,289,006
Vermont	241	830,100	160	298,000	3,274	6,486,966
Massachusetts	554	2,286,500	446	994,700	5,210	11,003,916
Rhode Island	106	375,700	102	239,900	763	1,677,720
Connecticut	378	1,490,300	344	770,100	3,900	9,177,242
New York	2,190	8,346,700	1,430	3,208,700	21,415	50,493,495
New Jersey	611	2,889,600	424	1,017,200	5,206	13,788,791
Total	4,698	18,064,100	3,164	7,007,500	46,883	107,537,166
District 2:						
Pennsylvania	1,235	4,787,900	682	1,325,600	14,906	29,186,620
Delaware	61	250,400	40	105,300	585	1,354,701
Maryland	441	2,351,600	262	732,300	4,478	12,704,849
Virginia	879	3,310,900	498	1,182,400	16,804	37,055,016
West Virginia	425	1,310,200	185	373,800	7,402	11,571,044
Puerto Rico	313	1,146,800	115	574,200	4,362	12,094,279
Total	3,354	13,157,800	1,782	4,293,600	48,557	103,966,508
District 3:						
North Carolina	2,028	4,921,550	847	1,126,395	25,120	36,784,761
South Carolina	1,169	2,828,420	448	598.315	16,441	26,692,648
Georgia	2,478	5,383,080	772	960,528	26,993	40,211,364
Florida	790	2,606,650	240	457,270	9,926	18,750,872
Total	6,465	15,739,730	2,307	3,142,508	78,484	122,439,645

FEDERAL LAND BANKS AND LAND BANK COMMISSIONER

TABLE 2.—*Applications received and loans closed during 1937, and loans outstanding, Dec. 31, 1937, by States*—Continued

District and State	Applications received during 1937		Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount	Number	Amount
istrict 4:						
Ohio	1,633	$6,111,000	1,109	$2,652,500	32,867	$79,969,164
Indiana	1,900	6,723,000	1,247	2,802,300	41,852	98,037,397
Kentucky	910	2,983,500	463	1,273,400	24,590	54,911,504
Tennessee	1,362	3,494,400	652	1,217,200	25,206	45,576,427
Total	5,805	19,311,900	3,471	7,945,400	124,515	278,494,492
istrict 5:						
Alabama	2,416	4,431,281	1,143	1,407,825	29,989	37,159,045
Mississippi	1,653	3,697,320	603	869,194	28,313	36,481,559
Louisiana	723	2,316,521	302	697,925	15,428	26,042,654
Total	4,792	10,445,122	2,048	2,974,944	73,730	99,683,258
istrict 6:						
Illinois	2,944	19,128,000	2,384	10,153,600	41,173	185,174,199
Missouri	2,459	7,326,000	1,079	2,390,400	28,345	63,358,825
Arkansas	1,219	3,067,500	360	836,300	17,668	25,596,069
Total	6,622	29,521,500	3,823	13,380,300	87,186	274,129,093
istrict 7:						
Michigan	1,636	5,009,500	1,130	1,962,100	42,368	77,368,302
Wisconsin	1,524	7,865,000	1,061	2,687,600	49,404	132,080,075
Minnesota	1,825	9,715,000	1,427	4,234,200	55,184	169,621,625
North Dakota	2	3,500			42,413	110,789,298
Total	4,987	22,593,000	3,618	8,883,900	189,369	489,859,300
strict 8:						
Iowa	2,821	21,045,400	2,773	12,207,500	55,099	268,763,990
South Dakota	986	3,777,000	650	1,919,100	28,607	83,493,821
Nebraska	2,580	13,099,300	2,061	7,281,900	42,359	161,726,757
Wyoming	314	1,702,200	201	755,700	6,038	14,364,268
Total	6,701	39,623,900	5,685	22,164,200	132,103	528,348,836
strict 9:						
Kansas	2,586	11,148,500	1,948	4,087,700	49,354	142,550,661
Oklahoma	1,841	5,517,200	1,094	2,284,500	28,013	55,525,966
Colorado	1,000	4,467,300	693	1,714,700	16,494	38,926,311
New Mexico	414	1,496,000	218	476,700	6,085	12,630,943
Total	5,841	22,62[illegible],000	3,953	9,163,600	100,546	249,633,881
District 10:						
Texas	4,997	17,934,400	3,747	8,915,600	101,208	265,058,143
strict 11:						
Arizona	234	1,295,600	237	830,600	3,093	10,396,941
Utah	271	1,274,500	157	426,900	9,470	22,040,508
Nevada	72	694,100	33	158,900	736	4,127,376
California	2,773	19,800,600	2,038	8,014,500	38,152	145,829,178
Total	3,350	23,064,800	2,465	9,430,900	51,451	182,394,003
strict 12:						
Montana	686	2,776,930	280	698,600	11,463	29,121,629
Idaho	691	2,973,030	434	1,017,050	14,168	37,485,203
Washington	953	5,386,930	519	1,940,700	17,958	42,092,619
Oregon	894	4,762,860	566	2,153,100	13,466	37,812,256
Total	3,224	15,899,750	1,799	5,809,450	57,055	146,511,707
Grand total	*60,836*	*247,985,002*	*37,862*	*103,111,902*	*1,091,067*	*2,848,056,032*

FEDERAL LAND BANKS AND LAND BANK COMMISSIONER

TABLE 3.—*Applications received and loans closed during 1937, by months*

Month	Applications received		Loans closed: Federal land banks		Loans closed: Land Bank Commissioner		Loans closed: Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
ıary	4,506	$18,988,755	1,462	$5,646,500	2,053	$3,765,250	3,515	$9,411,750
ruary	4,369	18,158,270	1,662	7,297,600	2,275	4,518,913	3,937	11,816,513
·ch	5,686	23,098,101	1,651	6,897,500	2,347	4,489,275	3,998	11,386,775
ıl	5,130	21,309,008	1,491	5,923,900	2,141	4,009,320	3,632	9,933,220
·	4,436	18,813,675	1,328	5,378,600	1,893	3,438,025	3,221	8,816,625
ɔ	3,973	17,563,518	1,288	5,257,300	1,811	3,327,675	3,099	8,584,975
·	4,041	17,393,385	1,257	4,829,685	1,651	2,963,580	2,908	7,793,265
ust	4,670	18,866,445	1,179	4,457,700	1,622	2,960,455	2,801	7,418,155
·ember	5,672	22,524,820	1,021	3,892,000	1,298	2,326,350	2,319	6,218,350
ɔber	6,449	24,387,206	1,145	4,556,200	1,503	2,798,805	2,648	7,355,005
ember	6,140	24,227,010	1,146	4,049,400	1,521	2,516,150	2,667	6,565,550
ember	5,764	22,654,779	1,359	4,905,344	1,758	2,906,375	3,117	7,811,719
Total	60,836	247,985,002	15,989	63,091,729	21,873	40,020,173	37,862	103,111,902

TABLE 4.—*Percentage of loan proceeds used for various purposes from Jan. 1, 1937, through Dec. 31, 1937, by States*

istrict and State	Federal land bank loans: Refinancing indebtedness [1]	Purchase of land and redemption from foreclosure	General agricultural uses including buildings and improvements	National farm loan association stock [2]	Loan fees	Land Bank Commissioner loans: Refinancing indebtedness [3]	Purchase of land and redemption from foreclosure	General agricultural uses including buildings and improvements	Loan fees
rict 1:									
Maine	67.6	24.1	2.3	5.0	1.0	76.4	14.9	8.4	0.3
New Hampshire	78.7	11.9	3.5	5.0	.9	60.9	23.1	15.6	.4
Vermont	72.1	15.9	6.0	5.0	1.0	71.2	16.7	11.7	.4
Massachusetts	68.4	19.1	6.5	5.0	1.0	63.3	23.0	13.5	.2
Rhode Island	52.0	34.9	7.1	5.0	1.0	58.6	21.6	19.5	.3
Connecticut	73.3	14.0	6.8	5.0	.9	68.6	16.2	14.9	.3
New York	69.9	19.4	4.7	5.0	1.0	66.7	19.4	13.6	.3
New Jersey	65.9	25.5	2.6	5.0	1.0	68.3	19.8	11.7	.2
Total	69.3	19.8	4.9	5.0	1.0	66.9	19.4	13.4	.3
rict 2: [4]									
Pennsylvania	66.8	23.7	3.2	5.0	1.3	70.5	26.5	2.5	.5
Delaware	57.6	32.6	3.4	5.0	1.4	66.9	30.5	2.1	.5
Maryland	65.2	24.7	3.8	4.9	1.4	62.9	32.9	3.8	.4
Virginia	68.3	22.4	3.1	4.8	1.4	68.2	25.1	6.2	.5
West Virginia	78.2	11.5	3.9	5.0	1.4	77.3	15.2	7.0	.5
Total	67.7	22.7	3.3	4.9	1.4	69.2	25.8	4.5	.5
rict 3:									
North Carolina	71.3	6.5	15.5	4.9	1.8	73.4	11.2	14.2	1.2
South Carolina	61.5	18.4	13.3	5.0	1.8	61.9	24.8	12.0	1.3
Georgia	67.4	13.1	12.4	5.0	2.1	67.1	17.9	13.5	1.5
Florida	68.9	18.8	6.1	5.0	1.2	69.3	17.7	11.6	1.4
Total	67.0	12.6	12.7	5.0	1.8	68.7	16.8	13.2	1.3

[1] For percentages of Federal land bank loan proceeds used to refinance debts, by type of indebtedness and of creditor, see table 7.

[2] ncludes stock in Federal land banks subscribed by direct borrowers.

[3] For percentage of Land Bank Commissioner loan proceeds used to refinance debts, by type of indebted- and class of creditor, see table 52.

[4] Excluding Puerto Rico.

FEDERAL LAND BANKS AND LAND BANK COMMISSIONER

TABLE 4.—*Percentage of loan proceeds used for various purposes from Jan. 1, 1937, through Dec. 31, 1937, by States*—Continued

District and State	Federal land bank loans					Land Bank Commissioner loans			
	Refinancing indebtedness	Purchase of land and redemption from foreclosure	General agricultural uses including buildings and improvements	National farm loan association stock	Loan fees	Refinancing indebtedness	Purchase of land and redemption from foreclosure	General agricultural uses including buildings and improvements	Loan fees
District 4:									
Ohio	64.4	26.6	2.9	5.0	1.1	65.4	28.7	5.4	.5
Indiana	59.8	31.9	2.2	5.0	1.1	54.9	39.7	4.9	.5
Kentucky	72.2	19.9	1.8	5.0	1.1	70.3	23.1	6.1	.5
Tennessee	78.7	12.3	3.0	5.0	1.0	77.2	15.9	6.4	.5
Total	65.8	25.6	2.5	5.0	1.1	64.7	29.3	5.5	.5
District 5:									
Alabama	69.6	16.5	6.6	5.0	2.3	76.4	13.0	7.8	2.8
Mississippi	77.2	8.6	7.0	4.9	2.3	82.0	9.3	6.5	2.2
Louisiana	81.0	5.9	5.8	5.0	2.3	79.2	6.9	11.1	2.8
Total	74.9	11.3	6.5	5.0	2.3	78.4	10.5	8.4	2.7
District 6:									
Illinois	62.2	29.2	2.2	5.0	1.4	66.0	31.8	1.7	.5
Missouri	80.1	10.5	2.5	5.0	1.9	86.4	10.3	2.3	1.0
Arkansas	84.9	2.7	6.1	4.9	1.4	81.9	11.7	5.4	1.0
Total	66.1	25.1	2.4	5.0	1.4	71.9	25.2	2.2	.7
District 7:									
Michigan	54.5	36.2	3.6	5.0	.7	49.2	40.2	9.9	.7
Wisconsin	74.6	18.4	1.4	5.0	.6	70.0	20.2	9.5	.3
Minnesota	60.3	32.0	2.2	5.0	.5	59.6	30.3	9.8	3
North Dakota									
Total	63.5	28.7	2.2	5.0	.6	60.0	29.9	9.7	.4
District 8:									
Iowa	67.8	25.1	1.0	5.0	1.1	69.7	29.1	1.1	.1
South Dakota	73.3	17.4	3.0	5.0	1.3	81.4	15.8	2.7	.1
Nebraska	75.5	17.2	1.1	5.0	1.2	80.0	19.0	.9	.1
Wyoming	73.8	19.2	1.2	5.0	.8	75.4	21.7	2.8	.1
Total	70.9	21.8	1.2	5.0	1.1	74.7	23.9	1.3	.1
District 9:									
Kansas	68.9	20.4	4.7	5.0	1.0	73.8	23.5	2.2	.5
Oklahoma	62.2	26.7	5.1	5.0	1.0	66.9	28.2	4.0	.9
Colorado	74.4	15.8	3.5	5.0	1.3	75.3	21.1	2.9	.7
New Mexico	59.4	20.3	14.1	5.0	1.2	73.4	18.8	6.6	1.2
Total	67.8	21.1	5.0	5.0	1.1	72.4	23.8	3.1	.7
District 10: Texas	66.9	23.9	4.3	4.8	.1	66.4	28.5	4.8	.3
District 11:									
Arizona	81.3	9.8	1.2	4.9	2.8	80.1	13.0	6.0	.9
Utah	80.0	10.4	2.6	4.9	2.1	89.6	5.6	3.7	1.1
Nevada	78.1	13.9		5.0	3.0	86.7	11.1	.2	2.0
California	75.0	11.8	6.0	5.0	2.2	80.0	10.8	8.2	1.0
Total	75.8	11.6	5.3	5.0	2.3	80.7	10.7	7.6	1.0
District 12:									
Montana	76.2	14.2	4.3	5.0	.3	76.4	18.8	4.2	.6
Idaho	78.5	14.6	2.0	4.6	.3	74.0	23.4	1.7	.9
Washington	74.3	18.9	1.6	5.0	.2	74.0	21.3	4.1	.6
Oregon	78.5	13.0	3.3	5.0	.2	87.5	10.1	1.8	.6
Total	76.8	15.5	2.6	4.9	.2	78.9	17.5	2.9	.7
Grand total [1]	69.2	21.4	3.3	5.0	1.1	71.1	22.8	5.5	.6

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TABLE 5.—*Loans closed and outstanding, by years, 1917–37*

Year	Loans closed		Loans outstanding Dec. 31	
	Number	Amount	Number	Amount
1917	18, 154	$39, 112, 115	(1)	(1)
1918	49, 808	118, 129, 836	(1)	$156, 213, 892
1919	45, 436	144, 987, 180	(1)	293, 595, 398
1920	17, 997	66, 984, 534	126, 179	349, 678, 988
1921	27, 153	91, 029, 976	151, 823	432, 623, 141
1922	74, 055	224, 301, 400	221, 778	639, 486, 435
1923	60, 100	192, 083, 015	274, 507	799, 596, 835
1924	47, 227	165, 609, 845	313, 712	927, 567, 598
1925	39, 905	127, 355, 451	342, 804	1, 005, 684, 817
1926	36, 893	131, 317, 715	366, 494	1, 077, 818, 724
1927	39, 268	140, 384, 200	392, 148	1, 155, 643, 871
1928	26, 988	102, 236, 400	404, 865	1, 194, 820, 881
1929	17, 132	64, 252, 500	409, 559	1, 196, 513, 917
1930	12, 572	47, 971, 000	410, 493	1, 189, 604, 364
1931	10, 898	42, 015, 300	407, 852	1, 167, 898, 205
1932	7, 208	27, 569, 800	400, 537	1, 128, 564, 461
1933	38, 568	151, 634, 111	428, 861	1, 232, 706, 802
1934	190, 147	730, 367, 140	606, 344	1, 915, 791, 654
1935	58, 968	248, 671, 200	643, 803	2, 071, 924, 721
1936	26, 362	109, 170, 200	639, 828	2, 064, 157, 944
1937	15, 989	63, 091, 729	635, 776	2, 035, 306, 748
Total	960, 828	3, 028, 174, 647		

[1] Not available.

TABLE 6.—*Loans closed during 1937, and outstanding Dec. 31, 1937, by States*

District and State	Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount
District 1:				
Maine	68	$141, 700	3, 425	$7, 392, 897
New Hampshire	43	84, 800	783	1, 475, 621
Vermont	74	183, 100	2, 138	4, 695, 300
Massachusetts	185	483, 800	3, 057	7, 497, 568
Rhode Island	35	97, 700	458	1, 266, 305
Connecticut	151	394, 200	2, 427	6, 324, 731
New York	665	1, 902, 800	13, 894	36, 897, 489
New Jersey	169	502, 800	2, 931	9, 098, 146
Total	1, 380	3, 790, 900	29, 113	74, 848, 057
District 2:				
Pennsylvania	337	868, 700	9, 387	20, 637, 096
Delaware	19	66, 800	310	857, 484
Maryland	134	506, 600	2, 433	8, 569, 253
Virginia	234	765, 900	11, 748	29, 030, 512
West Virginia	70	201, 800	4, 750	8, 363, 349
Puerto Rico	35	260, 500	3, 862	10, 834, 074
Total	829	2, 670, 300	32, 490	78, 291, 768

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TABLE 6.—*Loans closed during 1937, and outstanding Dec. 31, 1937, by States*—Continued

District and State	Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount
District 3:				
North Carolina	239	$458,600	12,343	$20,547,190
South Carolina	126	239,700	7,121	15,079,801
Georgia	193	388,085	12,848	23,936,996
Florida	59	202,400	4,581	10,239,250
Total	617	1,288,785	36,893	69,803,237
District 4:				
Ohio	514	1,585,300	19,159	57,155,461
Indiana	532	1,614,600	25,778	73,296,752
Kentucky	175	755,300	13,365	37,963,024
Tennessee	197	562,800	14,265	31,232,070
Total	1,418	4,518,000	72,567	199,647,307
District 5:				
Alabama	405	798,100	19,938	28,230,441
Mississippi	194	525,944	17,561	27,603,265
Louisiana	112	433,200	10,786	20,939,025
Total	711	1,757,244	48,285	76,772,731
District 6:				
Illinois	1,202	7,061,100	24,456	142,400,815
Missouri	467	1,438,700	14,328	41,377,794
Arkansas	75	376,300	10,902	18,126,037
Total	1,744	8,876,100	49,686	201,904,646
District 7:				
Michigan	432	1,030,000	22,921	50,731,551
Wisconsin	486	1,625,800	24,773	80,717,537
Minnesota	666	2,775,100	30,076	118,433,714
North Dakota			21,754	72,389,196
Total	1,584	5,430,900	99,524	322,271,998
District 8:				
Iowa	1,389	8,377,200	33,326	208,177,075
South Dakota	254	1,017,700	15,696	58,675,330
Nebraska	1,000	4,797,800	25,800	123,895,053
Wyoming	75	452,500	3,097	9,566,147
Total	2,718	14,645,200	77,919	400,313,605
District 9:				
Kansas	917	2,996,000	27,392	97,903,926
Oklahoma	452	1,394,900	14,744	37,013,309
Colorado	261	967,000	9,958	27,839,256
New Mexico	54	202,100	4,804	9,570,896
Total	1,684	5,560,000	56,898	172,327,387
District 10:				
Texas	1,513	5,375,500	69,729	211,102,132
District 11:				
Arizona	105	497,900	2,056	8,230,510
Utah	60	217,100	5,883	15,760,126
Nevada	11	84,500	453	3,305,905
California	845	4,815,000	18,285	95,995,024
Total	1,021	5,614,500	26,677	123,291,565
District 12:				
Montana	88	309,700	5,998	17,345,366
Idaho	197	599,400	9,152	27,518,156
Washington	226	1,247,400	12,479	32,405,909
Oregon	259	1,407,800	8,366	27,462,884
Total	770	3,564,300	35,995	104,732,315
Grand total	15,989	63,091,729	635,776	2,035,306,748

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TABLE 7.—*Percentage of loan proceeds used to refinance indebtedness from Jan. 1, 1937, through Dec. 31, 1937, classified according to type of indebtedness and class of creditor, by States* [1]

District and State	First and junior mortgages held by—				Other indebtedness owed to—			Total
	Life insurance companies	Commercial banks	Joint stock land banks	Other	Commercial banks	Tax authorities	Other creditors	
District 1:								
Maine	----------	12.0	----------	46.2	3.7	2.1	3.6	67.6
New Hampshire	----------	46.2	----------	21.8	4.3	3.4	3.0	78.7
Vermont	----------	29.9	----------	35.6	1.1	1.7	3.8	72.1
Massachusetts	----------	19.1	----------	34.3	3.0	3.1	8.9	68.4
Rhode Island	----------	8.6	----------	30.9	.3	1.7	10.5	52.0
Connecticut	----------	19.4	----------	41.8	1.0	1.3	9.8	73.3
New York	----------	11.5	2.1	42.3	5.0	0.8	8.2	69.9
New Jersey	----------	13.6	1.5	40.0	2.8	2.5	5.5	65.9
Total	----------	15.2	1.3	40.0	3.6	1.5	7.7	69.3
District 2: [2]								
Pennsylvania	----------	13.1	1.4	39.0	4.7	2.5	6.1	66.8
Delaware	----------	21.0	----------	31.9	1.9	.1	2.7	57.6
Maryland	0.8	13.2	5.2	38.4	3.5	.7	3.4	65.2
Virginia	7.6	11.6	3.9	32.9	6.9	.3	5.1	68.3
West Virginia	----------	12.9	7.2	36.5	6.2	.2	15.2	78.2
Total	2.6	12.8	3.4	36.6	5.2	1.2	5.9	67.7
District 3:								
North Carolina	4.9	11.5	8.8	36.7	.8	4.3	4.3	71.3
South Carolina	.8	8.4	4.9	39.0	.9	4.1	3.4	61.5
Georgia	18.0	9.3	4.6	29.7	2.4	1.7	1.7	67.4
Florida	----------	6.1	----------	42.4	12.3	7.5	0.6	68.9
Total	7.3	9.4	5.4	35.9	3.1	4.0	2.8	67.9
District 4:								
Ohio	8.0	19.8	2.4	19.6	7.5	.5	6.6	64.4
Indiana	13.2	12.0	4.7	16.4	7.0	.5	6.0	59.8
Kentucky	9.8	17.4	2.7	28.4	10.7	.3	2.9	72.2
Tennessee	22.0	15.7	.5	27.4	6.3	1.7	5.1	78.7
Total	11.9	16.1	3.0	20.9	7.7	.6	5.6	65.8
District 5:								
Alabama	6.3	9.4	8.5	40.0	1.6	.3	3.5	69.6
Mississippi	7.6	17.5	----------	46.7	2.1	.7	2.6	77.2
Louisiana	2.5	13.0	9.7	51.8	.8	2.0	1.2	81.0
Total	5.5	12.5	6.7	45.2	1.5	.9	2.6	74.9
District 6:								
Illinois	16.0	8.8	4.9	21.5	3.0	.6	7.4	62.2
Missouri	15.0	12.3	2.0	32.9	7.5	1.0	9.4	80.1
Arkansas	18.5	16.3	15.9	29.8	1.6	1.0	1.8	84.9
Total	15.9	9.7	4.9	23.7	3.7	.7	7.5	66.1
District 7:								
Michigan	3.6	9.4	.1	32.3	1.6	2.4	5.1	54.5
Wisconsin	3.9	7.4	----------	57.0	1.6	1.2	3.5	74.6
Minnesota	11.9	4.7	.2	35.3	1.6	2.2	4.4	60.3
North Dakota	----------	----------	----------	----------	----------	----------	----------	----------
Total	8.0	6.4	0.1	41.2	1.6	1.9	4.3	63.5
District 8:								
Iowa	24.3	6.9	2.8	24.5	4.1	.4	4.8	67.8
South Dakota	21.6	3.1	.2	25.5	6.6	3.9	12.5	73.8
Nebraska	10.9	5.7	.4	38.4	8.7	1.8	9.6	75.5
Wyoming	1.7	11.8	21.1	30.3	2.9	1.4	4.6	73.8
Total	19.0	6.4	2.4	29.4	5.7	1.1	6.9	70.9

[1] For same information for Land Bank Commissioner loans, see table 52. For percentage of loan proceeds used for all purposes including refinancing, see table 4.

[2] Excluding Puerto Rico.

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TABLE 7.—*Percentage of loan proceeds used to refinance indebtedness from Jan. 1, 1937, through Dec. 31, 1937, classified according to type of indebtedness and class of creditor, by States*—Continued

District and State	First and junior mortgages held by—				Other indebtedness owed to—			Total
	Life insurance companies	Commercial banks	Joint stock land banks	Other	Commercial banks	Tax authorities	Other creditors	
District 9:								
Kansas	17.4	8.8	.9	27.8	0.8	1.6	5.6	68.9
Oklahoma	20.8	11.0	.4	22.6	4.2	.8	2.4	62.2
Colorado	5.1	8.3	15.7	37.1	2.3	2.0	3.9	74.4
New Mexico	1.1	10.1		36.1	7.4	.7	4.0	59.4
Total	15.5	9.3	3.3	28.5	5.4	1.4	4.4	67.8
District 10:								
Texas	17.5	9.0	10.7	25.1	2.2	.7	1.7	66.9
District 11:								
Arizona	5.7	17.8	13.1	34.8		7.2	2.7	81.3
Utah	1.7	16.2		48.1	7.5	1.5	5.0	80.0
Nevada		17.1		44.8		3.6	12.6	78.1
California	6.5	16.7	.7	43.5	3.2	1.0	3.4	75.0
Total	6.1	16.8	1.8	42.9	3.1	1.6	3.5	75.8
District 12:								
Montana	8.2	12.0	3.9	30.2	5.0	3.2	13.7	76.2
Idaho	14.0	12.3	.8	35.8	3.3	3.8	8.5	78.5
Washington	22.3	10.4	.3	26.3	4.6	2.6	7.8	74.3
Oregon	9.0	5.2	13.1	29.9	5.8	4.8	10.7	78.5
Total	14.4	8.8	5.7	29.7	4.9	3.7	9.6	76.8
Grand total [1]	12.9	10.1	3.7	31.2	4.3	1.4	5.6	69.2

[1] Excluding Puerto Rico.

TABLE 8.—*Disposition of interest installments on mortgage loans during 1937, by banks*

Federal Land Bank of—	Interest installments delinquent on Jan. 1, 1937	Interest installments matured during 1937	Total amount collectible	Disposition			Percent of total delinquent on Dec. 31, 1937
				Percent of total collected	Percent of total extended or reamortized	Percent of total transferred to loans called for foreclosure or charged off	
Springfield	$309,418	$2,605,277	$2,914,693	89.1	0.1	1.8	9.0
Baltimore	310,466	3,081,317	3,391,783	86.4	3.6	5.4	4.6
Columbia	445,282	2,624,937	3,070,219	82.4	5.3	1.2	11.1
Louisville	243,378	7,159,916	7,403,294	95.9	.2	.8	3.1
New Orleans	726,330	2,849,028	3,575,358	67.3	9.4	1.3	22.0
St. Louis	545,001	7,116,198	7,661,199	91.9	.3	1.5	6.3
St. Paul	1,944,087	11,445,206	13,389,293	68.1	15.0	4.4	12.5
Omaha	694,414	13,990,757	14,685,171	72.6	21.5	.8	5.1
Wichita	1,443,061	6,123,926	7,566,987	71.5	12.6	1.9	14.0
Houston	995,072	7,545,267	8,540,339	85.1	4.8	1.6	8.5
Berkeley	267,115	4,331,220	4,598,335	91.6	(1)	1.0	7.4
Spokane	906,443	3,843,012	4,749,455	76.1	4.9	3.2	15.8
Total	8,830,065	72,716,061	81,546,126	79.6	9.1	2.1	9.2

[1] Less than 0.1 percent.

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TABLE 9.—*Principal payments, loans paid off prior to maturity, and loans closed during 1937*

Federal Land Bank of—	Principal payments	Loans paid off prior to maturity	Total payments on principal	Loans closed
Springfield	$1,192,908.00	$747,222.40	$1,940,130.40	$3,790,900.00
Baltimore	1,699,658.96	1,530,704.44	3,230,363.40	2,670,300.00
Columbia	2,764,051.86	1,871,635.73	4,635,687.59	1,288,785.10
Louisville	5,927,343.52	3,977,138.73	9,904,482.25	4,518,000.00
New Orleans	2,566,371.64	1,758,330.34	4,324,701.98	1,757,243.97
St. Louis	5,183,261.92	2,732,807.05	7,916,068.97	8,876,100.00
St. Paul	3,045,320.68	1,924,868.69	4,970,189.37	5,430,900.00
Omaha	4,586,569.71	2,401,493.13	6,988,062.84	14,645,200.00
Wichita	2,846,466.68	2,382,489.10	5,228,955.78	5,560,000.00
Houston	5,395,679.54	4,685,132.24	10,080,811.78	5,375,500.00
Berkeley	2,241,996.35	1,923,484.98	4,165,481.33	5,614,500.00
Spokane	2,222,196.03	1,658,561.22	3,880,757.25	3,564,300.00
Total	39,671,824.89	27,593,868.05	67,265,692.94	63,091,729.07

TABLE 10.—*Classification of mortgage loans outstanding, Dec. 31, 1937, by States*

District and State	Number of loans outstanding	Loans classified as not delinquent						Loans classified as delinquent (loans with matured installments unpaid and unextended)	
		With all matured installments paid in full		With all matured unpaid installments extended					
				With no delinquency in extensions		With delinquency in extensions			
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
District 1:									
Maine	3,425	2,318	67.7					1,107	32.3
New Hampshire	783	721	92.1					62	7.9
Vermont	2,138	1,954	91.4					184	8.6
Massachusetts	3,057	2,877	94.1					180	5.9
Rhode Island	458	431	94.1					27	5.9
Connecticut	2,427	2,320	95.6					107	4.4
New York	13,894	12,788	92.0					1,106	8.0
New Jersey	2,931	2,701	92.2					230	7.8
Total	29,113	26,110	89.7					3,003	10.3
District 2:									
Pennsylvania	9,387	8,597	91.6	195	2.1			595	6.3
Delaware	310	304	98.1	1	.3			5	1.6
Maryland	2,433	2,244	92.2	18	.8			171	7.0
Virginia	11,748	10,873	92.6	198	1.7	1	(1)	676	5.7
West Virginia	4,750	4,385	92.3	64	1.4			301	6.3
Puerto Rico	3,862	2,888	74.8	747	19.3	6	0.2	221	5.7
Total	32,490	29,291	90.1	1,223	3.8	7	(1)	1,969	6.1
District 3:									
North Carolina	12,348	9,983	80.9	1,301	10.5	25	.2	1,034	8.4
South Carolina	7,121	4,906	68.9	891	12.5	23	.3	1,301	18.3
Georgia	12,848	9,341	72.7	1,522	11.8	38	.3	1,947	15.2
Florida	4,581	3,620	79.0	726	15.8	26	.6	209	4.6
Total	36,898	27,850	75.5	4,440	12.0	112	.3	4,491	12.2
District 4:									
Ohio	19,159	18,227	95.1	149	.8	19	.1	764	4.0
Indiana	25,778	24,435	94.8	472	1.8	59	.2	812	3.2
Kentucky	13,365	12,314	92.1	295	2.2	25	.2	731	5.5
Tennessee	14,265	12,731	89.2	322	2.3	87	.6	1,125	7.9
Total	72,567	67,707	93.3	1,238	1.7	190	.3	3,432	4.7

[1] Less than 0.1 percent.

FEDERAL LAND BANKS

TABLE 10.—*Classification of mortgage loans outstanding, Dec. 31, 1937, by States*—Continued

District and State	Number of loans outstanding	Loans classified as not delinquent: With all matured installments paid in full: Number	Percent	With all matured unpaid installments extended: With no delinquency in extensions: Number	Percent	With delinquency in extensions: Number	Percent	Loans classified as delinquent (loans with matured installments unpaid and unextended): Number	Percent
District 5:									
Alabama	19,938	15,273	76.6	277	1.4	209	1.0	4,179	21.0
Mississippi	17,561	12,218	69.7	365	2.1	525	3.0	4,423	25.2
Louisiana	10,786	8,054	74.7	177	1.6	102	1.0	2,453	22.7
Total	48,285	35,575	73.7	819	1.7	836	1.7	11,055	22.9
District 6:									
Illinois	24,456	21,964	89.8	1,320	5.4	1	(1)	1,171	4.8
Missouri	14,328	11,331	79.1	1,061	7.4	-------	-------	1,936	13.5
Arkansas	10,902	7,218	66.2	2,240	20.6	1	(1)	1,443	13.2
Total	49,686	40,513	81.5	4,621	9.3	2	(1)	4,550	9.2
District 7:									
Michigan	22,921	20,567	89.7	111	.5	100	.4	2,143	9.4
Wisconsin	24,773	19,953	80.6	378	1.5	401	1.6	4,038	16.3
Minnesota	30,076	25,308	84.1	109	.4	337	1.1	4,322	14.4
North Dakota	21,754	5,897	27.1	2,508	11.5	985	4.5	12,364	56.9
Total	99,524	71,725	72.1	3,106	3.1	1,826	1.8	22,867	23.0
District 8:									
Iowa	33,326	29,217	87.7	1,211	3.6	1,322	4.0	1,576	4.7
South Dakota	15,696	9,057	57.7	2,200	14.0	1,886	12.0	2,553	16.3
Nebraska	25,800	17,089	66.2	2,581	10.0	3,726	14.5	2,404	9.3
Wyoming	3,097	2,318	74.8	36	1.2	187	6.0	556	18.0
Total	77,919	57,681	74.0	6,028	7.7	7,121	9.2	7,089	9.1
District 9:									
Kansas	27,392	19,117	69.8	881	3.2	173	.6	7,221	26.4
Oklahoma	14,744	11,219	76.1	712	4.8	116	.8	2,697	18.3
Colorado	9,958	6,525	65.5	881	8.9	100	1.0	2,452	24.6
New Mexico	4,804	3,786	78.8	336	7.0	66	1.4	616	12.8
Total	56,898	40,647	71.4	2,810	5.0	455	.8	12,986	22.8
District 10:									
Texas	69,729	55,650	79.8	4,128	5.9	668	1.0	9,283	13.3
District 11:									
Arizona	2,056	1,624	79.0	95	4.6	53	2.6	284	13.8
Utah	5,883	4,157	70.6	363	6.2	247	4.2	1,116	19.0
Nevada	453	333	73.5	23	5.1	11	2.4	86	19.0
California	18,285	16,916	92.5	215	1.2	82	.4	1,072	5.9
Total	26,677	23,030	86.3	696	2.6	393	1.5	2,558	9.6
District 12:									
Montana	5,998	3,571	59.5	636	10.6	171	2.9	1,620	27.0
Idaho	9,152	7,685	84.0	55	.6	41	.4	1,371	15.0
Washington	12,479	10,511	84.2	50	.4	89	.7	1,829	14.7
Oregon	8,366	7,106	84.9	47	.6	52	.6	1,161	13.9
Total	35,995	28,873	80.2	788	2.2	353	1.0	5,981	16.6
Grand total	635,776	504,652	79.4	29,897	4.7	11,963	1.9	89,264	14.0

[1] Less than 0.1 percent.

FEDERAL LAND BANKS

TABLE 11.—*Real estate, sheriffs' certificates, and judgments acquired and disposed of during 1937, by banks*

Federal Land Bank of—	Acquisitions		Disposals						
	Number	Investment	Number		Investment	Carrying value	Consideration	Consideration as a percent of—	
			Whole	Part				Investment	Carrying value
Springfield	351	$1, 260, 173	430	44	$1, 724, 093	$1, 355, 290	$1, 404, 366	81.5	103.6
Baltimore	762	2, 683, 798	830	80	2, 997, 937	2, 210, 742	2, 309, 589	77.0	104.5
Columbia	532	1, 303, 103	1, 016	117	2, 693, 421	1, 932, 408	1, 813, 507	67.3	93.8
Louisville	360	1, 555, 829	557	61	2, 826, 294	2, 218, 211	2, 562, 533	90.7	115.5
New Orleans	662	1, 505, 745	3, 904	1, 058	10, 334, 073	8, 263, 295	8, 180, 056	79.2	99.0
St. Louis	1, 054	2, 944, 706	1, 375	174	4, 508, 768	3, 526, 195	3, 593, 891	79.7	101.9
St. Paul	2, 582	10, 327, 565	952	120	4, 487, 671	3, 183, 286	3, 153, 157	70.3	99.1
Omaha	623	3, 698, 417	628	49	5, 347, 119	4, 200, 503	4, 106, 061	76.8	97.8
Wichita	803	2, 654, 043	815	90	3, 817, 904	2, 961, 331	2, 971, 672	77.8	100.3
Houston	628	2, 224, 152	689	55	2, 247, 359	1, 684, 787	1, 729, 277	76.9	102.6
Berkeley	245	1, 085, 803	383	61	2, 067, 155	1, 349, 049	1, 546, 816	74.8	114.6
Spokane	1, 367	5, 616, 601	1, 633	159	6, 305, 469	4, 304, 770	4, 434, 727	70.3	103.0
Total	9, 969	36, 859, 995	13, 212	2, 068	49, 357, 263	37, 190, 467	37, 805, 652	76.6	101.7

TABLE 12.—*Real estate, sheriffs' certificates, and judgments held Dec. 31, 1937, by States*

District and State	Farms owned outright				Sheriffs' certificates and judgments			
	Number	Acres	Investment	Carrying value	Number	Acres	Investment	Carrying value
District 1:								
Maine	127	21, 219	$553, 638	$421, 423				
New Hampshire	14	2, 432	39, 499	32, 271				
Vermont	23	4, 501	115, 837	95, 980				
Massachusetts	38	4, 487	207, 159	185, 434				
Rhode Island								
Connecticut	8	1, 060	54, 825	48, 394				
New York	290	40, 571	1, 401, 964	1, 045, 772				
New Jersey	43	3, 467	316, 043	245, 086				
Total	543	77, 757	2, 688, 965	2, 074, 360				
District 2:								
Pennsylvania	342	42, 304	1, 180, 182	835, 054				
Delaware	5	894	39, 028	28, 600				
Maryland	20	3, 317	113, 209	85, 246				
Virginia	241	41, 906	903, 251	684, 113				
West Virginia	154	24, 582	434, 587	342, 138				
Puerto Rico	62	6, 448	250, 538	151, 910				
Total	824	119, 451	2, 920, 795	2, 127, 061				
District 3:								
North Carolina	31	3, 535	64, 580	56, 215				
South Carolina	80	15, 055	237, 963	166, 623				
Georgia	117	25, 123	308, 203	252, 607				
Florida	48	5, 771	112, 596	66, 206				
Total	276	49, 484	723, 342	541, 651				

FEDERAL LAND BANKS

TABLE 12.—*Real estate, sheriffs' certificates, and judgments held Dec. 31, 1937, by States*—Contd.

District and State	Farms owned outright				Sheriffs' certificates and judgments			
	Number	Acres	Investment	Carrying value	Number	Acres	Investment	Carrying value
District 4:								
Ohio	64	8,871	$396,305	$329,971				
Indiana	180	25,925	1,286,059	1,004,914	129	13,501	$696,187	$557,336
Kentucky	65	11,663	332,136	277,164				
Tennessee	33	5,412	110,228	89,780				
Total	342	51,861	2,124,728	1,701,829	129	13,501	696,187	557,336
District 5:								
Alabama	750	157,350	1,779,215	1,680,871	235	50,262	553,173	501,005
Mississippi	2,205	468,027	6,142,520	5,056,837				
Louisiana	410	82,813	1,534,324	1,268,224				
Total	3,365	708,190	9,456,059	8,005,932	235	50,262	553,173	501,005
District 6:								
Illinois	271	37,362	2,081,265	1,979,032	141	19,215	971,982	924,633
Missouri	684	113,102	3,336,784	2,742,966	21	3,121	108,058	99,169
Arkansas	811	107,208	1,432,397	1,083,311	177	28,146	454,305	358,604
Total	1,766	257,672	6,850,446	5,805,309	339	50,482	1,534,345	1,382,406
District 7:								
Michigan	649	76,062	2,465,478	1,696,923	246	36,474	810,648	644,946
Wisconsin	958	126,004	5,500,475	3,155,823	550	65,025	2,374,865	1,736,039
Minnesota	1,203	203,195	7,699,412	5,490,689	426	61,352	1,767,422	1,427,551
North Dakota	2,580	705,849	12,877,263	8,800,190	849	247,608	4,018,265	2,968,964
Total	5,390	1,111,110	28,542,628	19,145,625	2,071	410,459	8,971,200	6,777,500
District 8:								
Iowa	488	74,269	4,842,980	3,786,427	133	17,987	1,280,530	1,018,641
South Dakota	1,700	452,543	11,467,185	8,126,603	314	88,061	1,817,177	1,340,829
Nebraska	488	134,085	3,744,350	2,963,731				
Wyoming	52	25,165	171,385	129,583	17	9,376	59,726	52,380
Total	2,728	686,062	20,225,900	15,006,344	464	115,424	3,157,433	2,411,850
District 9:								
Kansas	301	99,252	1,849,637	1,577,128	300	77,380	1,483,298	1,334,810
Oklahoma	155	36,449	488,395	387,486	88	20,330	390,826	331,569
Colorado	1,002	401,256	3,230,858	2,362,741	214	85,974	710,466	560,866
New Mexico	150	73,999	338,411	267,888	42	21,213	101,943	77,082
Total	1,608	610,956	5,907,301	4,595,243	644	202,897	2,686,533	2,304,327
District 10: Texas	736	165,854	2,753,095	2,261,403				
District 11:								
Arizona	18	2,455	96,579	70,198	4	328	19,579	17,970
Utah	362	42,545	1,522,191	876,122	37	4,882	170,009	130,319
Nevada	39	20,483	424,172	281,615	1	80	4,865	4,441
California	103	12,117	686,161	519,098	24	1,807	117,272	90,737
Total	522	77,600	2,729,103	1,747,033	66	7,097	311,725	243,467
District 12:								
Montana	1,664	630,724	5,513,733	2,769,830	294	149,770	1,158,210	765,791
Idaho	429	72,026	2,241,803	1,630,788	126	22,091	738,225	618,326
Washington	603	83,157	2,516,797	1,623,005	235	28,534	1,029,722	844,382
Oregon	330	103,325	1,580,855	1,079,196	109	25,587	569,833	438,444
Total	3,026	889,232	11,853,278	7,102,819	764	226,882	3,495,990	2,666,943
Grand total	21,126	4,805,229	96,775,640	70,112,609	4,712	1,077,004	21,406,586	16,844,834

TABLE 13.—*Bonds issued and retired or called during 1937, and outstanding, Dec. 31, 1937, by type of bond*

Type of bond	Bonds issued during 1937	Bonds retired or called during 1937	Bonds outstanding Dec. 31, 1937 [1]
Consolidated	$97,250,000	$26,480,000	$1,829,750,340
Individual		168,192,360	37,481,740
Total	97,250,000	194,672,360	1,867,232,080

[1] Includes bonds on hand and excludes bonds, matured or called.

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TABLE 14.—*Individual and consolidated farm loan bonds outstanding, Dec. 31, 1937, by date of issue* [1]

Date of issue	Term (years)	Rate (percent)	Maturity	Amount
Individual:				
May 1, 1928	10–30	4	May 1, 1958	$22, 669, 600
Nov. 1, 1928	10–30	4¼	Nov. 1, 1958	14, 021, 600
May 1, 1929	10–30	4½	May 1, 1959	617, 460
July 1, 1929	10–30	4½	July 1, 1959	173, 080
Total individual bonds				37, 481, 740
Consolidated:				
July 1, 1933	10–30	4	July 1, 1963	59, 170, 000
Mar. 15, 1934	10–30	4	Mar. 15, 1964	54, 557, 400
May 15, 1934	10–30	4	May 15, 1964	426, 616, 440
July 1, 1934	10–12	4	July 1, 1946	135, 952, 500
July 15, 1934	10–30	4	July 15, 1964	147, 800, 000
Sept. 15, 1934	10–30	4	Sept. 15, 1964	55, 610, 900
Mar. 15, 1935	10–30	3½	Mar. 15, 1965	5, 704, 600
Do	10–30	3¼	do	39, 045, 900
Do	10–30	3	do	73, 824, 600
May 1, 1935	10–20	3¼	May 1, 1955	161, 985, 200
July 1, 1935	10–20	3	July 1, 1955	237, 519, 900
Jan. 1, 1936	10–20	3	Jan. 1, 1956	204, 693, 400
May 1, 1936	10–20	3	May 1, 1956	227, 269, 500
Total consolidated bonds				1, 829, 750, 340
Total individual and consolidated bonds				1, 867, 232, 080

[1] Includes bonds on hand.

TABLE 15.—*Individual and consolidated farm loan bonds outstanding, Dec. 31 of each year, 1917–37*

As of Dec. 31	Individual [1]	Consolidated [1]	Total [1]
1917	(2)		(2)
1918	(2)		(2)
1919	(2)		(2)
1920	(2)		(2)
1921	$432, 761, 315		$432, 761, 315
1922	642, 708, 375		642, 708, 375
1923	806, 669, 330		806, 669, 330
1924	914, 763, 400		914, 763, 400
1925	982, 192, 440		982, 192, 440
1926	1, 059, 216, 615		1, 059, 216, 615
1927	1, 139, 616, 660		1, 139, 616, 660
1928	1, 177, 381, 260		1, 177, 381, 260
1929	1, 190, 245, 780		1, 190, 245, 780
1930	1, 186, 438, 320		1, 186, 438, 320
1931	1, 170, 828, 980		1, 170, 828, 980
1932	1, 148, 190, 740		1, 148, 190, 740
1933	1, 143, 840, 160	$98, 500, 000	1, 242, 340, 160
1934	968, 581, 120	816, 861, 240	1, 785, 442, 360
1935	536, 744, 340	1, 391, 523, 240	1, 928, 267, 580
1936	205, 674, 100	1, 758, 980, 340	1, 964, 654, 440
1937	37, 481, 740	1, 829, 750, 340	1, 867, 232, 080

[1] Includes bonds on hand and excludes bonds matured or called.

[2] Not available.

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TABLE 16.—*Collateral pledged with registrar by the Federal land banks for consolidated and individual farm loan bonds outstanding as of Dec. 31, 1937*

Item	Consolidated bonds	Individual bonds
Mortgage loans	$1,969,130,430.09	$44,993,068.48
United States Government obligations, direct and fully guaranteed (par)	5,380,000.00	3,272,950.00
Cash deposited for matured or called bonds		9,219,605.00
Cash under trust receipt	[1] 771,196.27	
Total collateral	1,975,281,626.36	57,485,623.48
Bonds outstanding (including matured or called bonds)	1,829,750,340.00	46,701,345.00
Excess collateral	145,531,286.36	10,784,278.48

[1] Of this amount, $126,034.62 has not been disbursed on loans.

TABLE 17.—*Capital stock outstanding Dec. 31, 1937, by banks and by type of owner*

Federal Land Bank of—	Type of owner				Percent of total owned by national farm loan associations and borrowers with direct loans
	U. S. Government	National farm loan associations	Borrowers with direct loans	Total	
Springfield	$5,230,150	$4,157,230	$176,595	$9,563,975	45.3
Baltimore	7,314,390	3,777,005	815,180	11,906,575	38.6
Columbia	15,659,925	3,562,265	598,910	19,821,100	21.0
Louisville	5,702,500	11,411,725	2,750	17,116,975	66.7
New Orleans	16,685,415	4,253,395	698,945	21,637,755	22.9
St. Louis	7,909,295	11,197,860	36,320	19,143,475	58.7
St. Paul	26,015,590	16,734,255	158,895	42,908,740	39.4
Omaha	6,080,190	21,655,880		27,736,070	78.1
Wichita	5,714,195	8,902,125	611,650	15,227,970	62.5
Houston	7,288,555	12,141,865		19,430,420	62.5
Berkeley	5,158,200	6,737,150	48,260	11,943,610	56.8
Spokane	15,363,190	5,880,230	285,425	21,528,845	28.6
Total	124,121,595	110,410,985	3,432,930	237,965,510	47.8

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TABLE 18.—*Capital stock outstanding on Dec. 31 of each year from 1917 through 1937, by type of owner*

As of Dec. 31	Type of owner				Percent of total owned by national farm loan associations and borrowers with direct loans
	U. S. Government	National farm loan associations	Borrowers with direct loans	Total	
1917	$8,892,130	$1,932,683	$113,490	$10,938,303	18.7
1918	8,765,415	7,838,508	123,516	16,727,439	47.8
1919	7,693,240	14,780,833	100,995	22,575,068	65.9
1920	6,832,680	17,663,725	95,110	24,591,515	72.2
1921	6,598,770	21,997,145	111,255	28,707,170	77.0
1922	4,264,880	32,602,215	135,820	37,002,915	88.6
1923	2,434,385	40,926,390	252,080	43,612,855	94.4
1924	1,670,965	47,524,335	401,775	49,597,075	96.6
1925	1,331,930	51,929,868	521,675	53,783,473	97.5
1926	1,058,885	56,073,365	632,045	57,764,295	98.2
1927	710,651	60,704,385	711,825	62,126,861	98.9
1928	439,225	63,545,055	773,035	64,757,315	99.3
1929	325,983	64,594,535	814,935	65,735,453	99.5
1930	267,724	65,028,560	837,115	66,133,399	99.6
1931	204,698	64,645,328	826,105	65,676,131	99.7
1932	125,046,410	63,197,033	804,400	189,047,843	33.9
1933	124,648,398	68,290,874	1,328,345	194,267,617	35.8
1934	117,617,300	100,371,658	3,605,335	221,594,293	46.9
1935	123,097,895	109,319,814	3,573,555	235,991,264	47.8
1936	124,066,135	110,994,430	3,492,785	238,553,350	48.0
1937	124,121,595	110,410,985	3,432,930	237,965,510	47.8

TABLE 19.—*Interest reduction granted borrowers for which reimbursement is obtained from the Secretary of the Treasury, and subscription to paid-in surplus by the Secretary of the Treasury for deferments and extensions granted borrowers, for selected periods*

Federal Land Bank of—	Interest reduction granted borrowers		Subscription to paid-in surplus	
	1937	Total 1933–37	1937	Total 1933–37
Springfield	$1,183,459	$3,900,971	$2,084,038	$9,412,005
Baltimore	1,352,597	4,846,299	1,368,606	4,144,818
Columbia	1,300,055	4,649,505	1,843,011	7,935,844
Louisville	3,265,365	10,622,590	2,043,255	9,475,554
New Orleans	1,674,364	6,435,925	1,409,492	14,665,629
St. Louis	2,860,035	9,060,490	1,892,196	11,813,739
St. Paul	4,836,930	14,784,312	4,261,936	21,404,234
Omaha	5,810,111	17,747,515	5,699,039	24,486,511
Wichita	2,636,016	8,501,565	2,973,625	14,103,230
Houston	3,656,777	12,376,592	2,887,986	10,728,600
Berkeley	1,938,384	6,092,447	4,582,393	17,952,529
Spokane	1,845,109	6,844,441	1,364,572	14,303,975
Total	32,359,202	105,862,652	32,410,149	160,426,168

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TABLE 20.—*Consolidated statement of condition, Dec. 31, 1937*

ASSETS

Mortgage loans:			
Loans not delinquent		$1,749,560,636.92	
Loans delinquent	$285,746,111.13		
Less matured principal unpaid	1,764,383.33		
		283,981,727.80	
			$2,033,542,364.72
Extensions:			
Unmatured portion	9,917,637.29		
Matured unpaid portion	14,801,233.31		
		24,718,870.60	
Less: Partial payments, extensions	2,475,285.18		
Reserve	12,325,948.13		
		14,801,233.31	
			9,917,637.29
Delinquent installments:			
Principal portion	1,764,383.33		
Interest portion	7,544,107.64		
		9,308,490.97	
Less. Partial payments, delinquent installments	869,907.32		
Reserve	1,073,607.38		
		1,943,514.70	
			7,364,976.27
Accounts receivable:			
Tax advances, insurance advances, etc		2,021,878.81	
Due from Federal Farm Mortgage Corporation		1,398,885.47	
Other		372,179.83	
			3,795,944.11
Purchase money mortgages and contracts:			
Purchase money first mortgages		35,945,276.20	
Purchase money second mortgages		1,604,187.12	
Real estate sales contracts		45,812,199.08	
Real estate notes receivable		349,143.82	
			83,710,806.22
Cash:			
General funds		29,104,985.90	
Special trust accounts		126,034.62	
			29,231,020.52
Deposits with the Treasurer of the United States for matured or called obligations:			
Cash deposited for matured or called bonds		9,219,605.00	
Cash deposited for matured bond interest		[1] 4,025,387.76	
			13,244,992.76
Due from the Secretary of the Treasury:			
Interest reduction		9,004,398.62	
Paid-in surplus		3,620,853.35	
			12,625,251.97
U. S. Government obligations, direct and fully guaranteed (par $50,118,200)			50,851,548.65
Other bonds and securities			1,209,791.54
Accrued interest receivable (not yet due):			
Mortgage loans		29,656,400.45	
U. S. Government obligations, direct and fully guaranteed		255,687.84	
Other bonds and securities		793.34	
			29,912,881.63
Real estate owned (investment)		96,775,640.15	
Less reserve		26,663,030.75	
			70,112,609.40
Sheriffs' certificates, etc. (investment)		21,406,585.95	
Less reserve		4,561,751.96	
			16,844,833.99
Loans called for foreclosure (investment)		20,380,840.21	
Less reserve		*6,786,027.05*	
			13,594,813.16

[1] Includes amounts deposited in anticipation of interest maturing Jan. 1, 1938.

FEDERAL LAND BANKS

TABLE 20.—*Consolidated statement of condition, Dec. 31, 1937*—Continued

ASSETS—Continued

Banking houses, furniture, fixtures, equipment, etc		$8,364,695.75	
Less reserve		2,342,480.41	
			$6,022,215.34
Deferred expense:			
Unamortized discount on farm loan bonds sold		6,816,385.73	
Other		250,690.81	
			7,067,076.54
Other assets			930,002.00
Total assets			2,389,978,766.11

LIABILITIES

Farm loan bonds outstanding:			
Consolidated bonds	$1,829,750,340		
Individual bonds	37,481,740		
		$1,867,232,080.00	
Less bonds on hand:			
Consolidated bonds	68,692,200		
Individual bonds	1,104,700		
		[2] 69,796,900.00	
			$1,797,435,180.00
Matured obligations:			
Farm loan bonds matured or called		9,219,605.00	
Matured interest on farm loan bonds		419,329.20	
			9,638,934.20
Notes payable.			
Federal Farm Mortgage Corporation		41,000,000.00	
Reconstruction Finance Corporation		11,566,360.55	
Other		30,000,000.00	
			82,566,360.55
Accrued interest payable (not yet due).			
Farm loan bonds		19,500,144.69	
Notes payable		475,704.04	
			19,975,848.73
Deferred proceeds of loans			1,066,333.99
Accounts payable			713,893.66
Dividends declared but unpaid			151,513.14
Trust accounts			5,663,910.66
Payments received on unmatured installments			3,105,335.09
Partial payments on purchase money mortgages, contracts, etc			347,775.70
Taxes and assessments due on bank-owned real estate			791,852.10
Other liabilities			2,003,408.97
Deferred income			4,411,621.41
Insurance reserve, bank-owned farm improvements			481,534.05
Reserve for title losses			310,511.99
Capital stock owned by:			
U. S. Government		124,121,595.00	
National farm loan associations		110,410,985.00	
Direct borrowers		3,432,930.00	
			237,965,510.00
Paid-in surplus			160,426,107.83
Legal reserve			43,102,951.85
Earned surplus			8,500,000.00
Reserve for contingencies			10,862,561.73
Undivided profits			447,494.46
Total liabilities			2,389,978,766.11

[2] Of this amount, $60,250,000 is pledged as collateral to notes payable.

FEDERAL LAND BANKS

TABLE 21.—*Consolidated profit and loss statement for the year ended Dec. 31, 1937, and for the year ended Dec. 31, 1936*

Item	Jan. 1, 1937, to Dec. 31, 1937		Jan. 1, 1936, to Dec. 31, 1936	
EARNINGS				
Interest:				
Mortgage loans	$104,597,417.87		$105,399,985.19	
U. S. Government obligations, direct and fully guaranteed	1,299,748.58		1,216,912.55	
Extensions and defaulted payments	2,013,667.49		2,930,300.63	
Purchase money mortgages, contracts, and other securities	3,615,006.60	$111,525,840.54	2,389,538.87	$111,936,737.24
Other income:				
Loan fees	332,738.06		500,692.09	
Miscellaneous	178,875.50	511,613.56	132,983.16	633,675.25
Gross earnings		112,037,454.10		112,570,412.49
DEDUCTIONS FROM EARNINGS				
Interest:				
Farm loan bonds	67,040,252.46		72,184,572.39	
Notes payable	1,202,730.43		1,148,218.20	
Other interest expense	43,430.05		76,599.03	
Total	68,286,412.94		73,409,389.62	
Operating expense	14,641,674.83		15,508,410.49	
Total deductions from gross earnings		82,928,087.77		88,917,800.11
Net operating earnings		29,109,366.33		23,652,612.38
OTHER EARNINGS				
Mortgage loan and real estate transactions:				
Recoveries from national farm loan associations	1,968,776.06		1,519,193.05	
Miscellaneous	6,820.90		22,116.95	
Total	1,975,596.96		1,541,310.00	
Premium and discount on securities (amortized), and profit on securities transactions	581,048.04		583,235.20	
Miscellaneous other additions	309,286.25		181,855.98	
Total other earnings		2,865,931.25		2,306,401.18
OTHER DEDUCTIONS				
Mortgage loan and real estate transactions:				
Net loss on real estate	11,522,412.08		11,225,198.65	
Miscellaneous	152,187.89		191,215.84	
Total	11,674,600.87		11,416,414.49	
Premium and discount on securities (amortized), and loss on securities transactions	1,110,799.13		967,177.36	
Miscellaneous other deductions	85,625.04	12,871,025.04	+5,992.51	12,377,599.34
Net profit before adjustment of valuation reserves		19,104,272.54		13,581,414.22
Adjustment of valuation reserves:				
Reserve for extensions matured and unpaid	735,047.42		−8,519,093.35	
Reserve for delinquent installments	−959,203.31		−4,395,393.00	
Reserve for real estate	1,853,129.53		1,505,114.62	
Reserve for sheriffs' certificates, judgments, etc.	541,655.93		96,260.68	
Reserve for loans called for foreclosure	3,298,010.96		3,488,016.09	
		5,468,640.53		−7,825,094.96
Net profit after adjustment of valuation reserves		13,635,632.01		21,406,509.18

NATIONAL FARM LOAN ASSOCIATIONS

TABLE 22.—*Charters issued and canceled during 1937, and number of associations chartered as of Dec. 31, 1937, by Farm Credit districts*

Farm Credit district	Associations in operation, Jan. 1, 1937	Charters issued during 1937	Charters canceled during 1937	Associations in operation, Dec. 31, 1937		
				Total	Records at bank	Active
Springfield	167			167	27	140
Baltimore	210			210		210
Columbia	542		22	520	29	491
Louisville	489	11	21	479		479
New Orleans	366	50	99	317		317
St. Louis	472	17	62	427		427
St Paul	730	1	9	722	1	721
Omaha	502			502		502
Wichita	455	48	145	358		358
Houston	365	12	27	350		350
Berkeley	213	3	29	187	24	163
Spokane	467		25	442	88	354
Total	4,978	142	439	4,681	169	4,512

TABLE 23.—*Attendance at national farm loan associations' annual meetings—1937*

District and State	Members present	Visitors			Total
		L. B. C. borrowers	Direct borrowers	Nonborrowers	
District 1:					
Maine	169				169
New Hampshire	45			1	46
Vermont	208		1	29	238
Massachusetts	228			59	287
Rhode Island	39			36	75
Connecticut	139			2	141
New York	703			73	776
New Jersey	240				240
Total	1,771		1	200	1,972
District 2:					
Pennsylvania	2,161	92	18	505	2,776
Delaware	107	1		74	182
Maryland	680	16	10	172	878
District of Columbia					
Virginia	3,040	174	69	627	3,910
West Virginia	1,004	28		296	1,328
Puerto Rico					
Total	6,992	311	97	1,674	9,074
District 3:					
North Carolina	2,258	330	32	805	3,425
South Carolina	811	45	25	296	1,177
Georgia	1,478	114	22	369	1,983
Florida	726	20	9	226	981
Total	5,273	509	88	1,696	7,566
District 4:					
Ohio	4,646	506		1,276	6,428
Indiana	6,230	729	1	1,502	8,462
Kentucky	3,344	492		554	4,390
Tennessee	3,153	675		1,017	4,845
Total	17,373	2,402	1	4,349	24,125

[1] Meetings held in district 1 in November 1936, included in 1937 series.

NATIONAL FARM LOAN ASSOCIATIONS

TABLE 23.—*Attendance at national farm loan associations' annual meetings—1937*—Continued

District and State	Members present	Visitors			Total
		L. B. C. borrowers	Direct borrowers	Nonborrowers	
District 5:					
Alabama	3,418	612	302	2,262	6,594
Mississippi	526				526
Louisiana	2,208	493	226	888	3,815
Total	6,152	1,105	528	3,150	10,935
District 6:					
Illinois	3,937	328	56	2,313	6,634
Missouri	2,279	411	14	1,055	3,759
Arkansas	1,741	421	52	640	2,854
Total	7,957	1,160	122	4,008	13,247
District 7:					
Michigan	1,637	156	2	395	2,190
Wisconsin	3,911	357		1,726	5,994
Minnesota	2,656	274	15	685	3,630
North Dakota	2,559	143	29	253	2,984
Total	10,763	930	46	3,059	14,798
District 8:					
Iowa	4,041	11	5	946	5,003
South Dakota	1,114	67	8	237	1,426
Nebraska	2,721	38	2	379	3,140
Wyoming	263	20		21	304
Total	8,139	136	15	1,583	9,873
District 9:					
Kansas	5,436	405	169	2,031	8,041
Oklahoma	2,457	375	65	790	3,687
Colorado	1,775	202	80	997	3,054
New Mexico	870	95	1	583	1,549
Total	10,538	1,077	315	4,401	16,331
District 10: Texas	5,518	204	63	937	6,722
District 11:					
Arizona	191	11		56	258
Utah	1,066	67	7	173	1,313
Nevada	94	14		56	164
California	3,098	490	6	1,094	4,688
Total	4,449	582	13	1,379	6,423
District 12:					
Montana	529	15	8	59	611
Idaho	819	18	23	74	934
Washington	1,406	13	7	158	1,584
Oregon	1,004	11	9	138	1,162
Total	3,758	57	47	429	4,291
Grand total	88,683	8,473	1,336	26,865	125,357

PRODUCTION CREDIT CORPORATIONS

TABLE 24.—*Consolidated statement of condition, Dec. 31, 1937*

ASSETS		
Class A stock of production credit associations	$76,145,811.68	
Less reserve for class A stock investments	155,000.00	
		$75,990,811.68
Cash:		
On hand and in banks	268,658.25	
On deposit with Treasurer of the United States	3,295.13	
		271,953.38
United States Government obligations, direct and fully guaranteed (par)	31,015,350.00	
Less sold at par under repurchase agreement	12,045,450.00	
Net	18,969,900.00	
Unamortized discount	36,347.20	
		18,933,552.80
Consolidated Federal farm loan bonds (par)	101,200,000.00	
Less sold at par under repurchase agreement	75,648,250.00	
Net	25,551,750.00	
Unamortized discount		
		25,551,750.00
Accounts receivable		4,114.15
Accrued interest receivable (not yet due):		
United States Government obligations, direct and fully guaranteed	158,853.55	
Consolidated Federal farm loan bonds	368,667.93	
		527,521.48
Automobiles, furniture, fixtures and equipment (net)		
Prepaid and deferred expense		2,009.50
Other assets		39,384.62
Total assets		121,321,097.61
LIABILITIES		
Accounts payable		1,837.96
Due to production credit associations		50,000.00
Capital stock paid in		120,000,000.00
Earned surplus		1,269,259.65
Total liabilities		121,321,097.61

PRODUCTION CREDIT ASSOCIATIONS

TABLE 25.—*Number of associations, authorized and paid-in capital stock, and number of class B stockholders, Dec. 31, 1937, by States*

District and State	Number of associations	Total authorized capital	Paid-in capital: Total	Paid-in capital: Class A stock [1]	Paid-in capital: Class B stock	Number of class B stockholders
District 1:						
Maine	8	$4,160,000	$1,981,336	$1,663,091	$318,245	3,007
New Hampshire	1	275,000	158,870	140,045	18,825	405
Vermont	3	710,000	478,675	398,640	80,035	1,194
Massachusetts	4	935,000	522,195	450,320	71,875	1,067
Rhode Island	1	235,000	190,960	150,060	40,900	281
Connecticut	1	400,000	346,590	250,385	96,205	961
New York	13	3,395,000	2,287,990	1,886,130	401,860	5,904
New Jersey	4	970,000	705,725	585,845	119,880	1,544
Total	35	11,080,000	6,672,341	5,524,516	1,147,825	14,663
District 2:						
Pennsylvania	11	2,970,000	1,961,129	1,760,849	200,280	4,737
Delaware	1	250,000	162,120	150,330	11,790	364
Maryland	6	2,320,000	1,182,605	1,066,425	116,180	1,618
Virginia	16	4,090,000	2,287,962	2,106,125	181,837	4,682
West Virginia	4	1,150,000	616,120	570,350	45,770	951
Puerto Rico	1	1,500,000	686,740	601,880	84,860	301
Total	39	12,280,000	6,896,676	6,255,959	640,717	12,653
District 3:						
North Carolina	28	5,197,500	3,305,755	2,922,060	383,695	20,871
South Carolina	23	3,673,000	2,570,665	2,291,690	278,975	15,242
Georgia	33	4,411,000	3,004,520	2,676,565	327,955	15,608
Florida	10	2,951,000	1,420,060	1,241,395	178,665	3,019
Total	94	16,232,500	10,301,000	9,131,710	1,169,290	54,740
District 4:						
Ohio	12	3,109,000	2,328,045	1,960,250	367,795	9,984
Indiana	10	3,232,000	2,145,120	1,758,575	386,545	9,239
Kentucky	12	2,554,000	1,310,345	1,156,680	153,665	5,527
Tennessee	9	2,464,000	1,666,535	1,477,975	188,560	7,155
Total	43	11,359,000	7,450,045	6,353,480	1,096,565	31,905
District 5:						
Alabama	8	3,100,005	1,757,180	1,584,355	172,825	6,366
Mississippi	10	4,580,005	2,678,435	2,245,600	432,835	13,871
Louisiana	8	3,337,335	2,067,955	1,751,985	315,970	7,184
Total	26	11,017,345	6,503,570	5,581,940	921,630	27,421
District 6:						
Illinois	21	4,330,000	2,669,030	2,214,160	454,870	9,276
Missouri	15	2,955,000	1,660,200	1,414,565	245,635	7,140
Arkansas	21	5,420,000	2,758,010	2,451,480	306,530	11,187
Total	57	12,705,000	7,087,240	6,080,205	1,007,035	27,603

[1] Includes $213,765 class A stock owned by private investors.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 25.—*Number of associations, authorized and paid-in capital stock, and number of class B stockholders, Dec. 31, 1937, by States*—Continued

District and State	Number of associations	Total authorized capital	Paid-in capital: Total	Paid-in capital: Class A stock	Paid-in capital: Class B stock	Number of class B stockholders
District 7:						
Michigan	15	*$3,260,000*	*$1,629,070*	*$1,406,570*	*$222,500*	8,331
Wisconsin	21	4,045,000	2,140,590	1,744,920	395,670	12,008
Minnesota	27	4,205,000	2,583,730	2,174,885	408,845	9,838
North Dakota	12	2,342,000	1,210,400	1,076,480	133,920	4,232
Total	75	13,852,000	7,563,790	6,402,855	1,160,935	34,409
District 8:						
Iowa	17	3,830,000	2,246,910	1,997,120	249,790	2,935
South Dakota	10	2,405,000	1,552,120	1,358,135	193,985	3,144
Nebraska	14	3,505,000	2,020,335	1,768,935	251,400	2,546
Wyoming	1	1,000,000	634,360	501,675	132,685	285
Total	42	*10,740,000*	*6,453,725*	*5,625,865*	827,860	8,910
District 9.						
Kansas	14	4,440,000	2,369,775	2,136,065	233,710	3,764
Oklahoma	14	4,240,000	2,427,095	2,149,465	277,630	7,793
Colorado	8	3,260,000	1,767,610	1,444,150	323,460	1,751
New Mexico	5	1,820,000	1,215,710	981,010	234,700	724
Total	41	*13,760,000*	*7,780,190*	*6,710,690*	*1,069,500*	*14,032*
District 10: Texas	36	11,700,000	6,078,645	5,143,865	934,780	10,253
District 11:						
Arizona	2	1,400,000	1,011,950	882,245	129,705	626
Utah	2	1,500,000	817,535	625,500	192,035	786
Nevada	1	600,000	347,965	250,500	97,465	113
California	25	8,330,000	5,899,910	4,747,105	1,152,805	6,711
Total	30	11,830,000	8,077,360	6,505,350	1,572,010	8,236
District 12:						
Montana	11	*4,400,000*	*2,496,095*	*1,955,000*	*541,095*	*3,598*
Idaho	5	3,350,000	1,594,365	1,183,105	411,260	2,655
Washington	8	7,800,000	2,640,487	2,237,402	403,085	2,786
Oregon	8	4,200,000	2,155,210	1,667,635	487,575	1,608
Total	32	19,750,000	8,886,157	7,043,142	1,843,015	10,647
Grand total	550	156,305,845	89,750,739	76,359,577	13,391,162	255,472

NOTE.—Includes data for associations which have been placed in liquidation.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 26.—*Applications received and loans closed during 1937, and loans outstanding Dec. 31, 1937, by States*

District and State	Applications received		Loans closed [1]		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount advanced	Number	Amount
District 1						
Maine	1,341	$797,253	645	$526,187	1,345	$918,853
New Hampshire	677	770,600	356	343,442	334	217,136
Vermont	2,937	1,846,503	1,616	1,576,791	1,378	1,034,410
Massachusetts	1,762	2,009,639	1,107	1,505,035	801	796,216
Rhode Island	408	727,261	229	802,950	221	560,524
Connecticut	1,989	2,596,034	992	1,837,440	833	1,314,180
New York	12,084	10,500,333	6,262	7,908,290	4,798	4,719,087
New Jersey	2,777	3,194,037	1,570	2,507,959	1,216	1,393,181
Total	23,975	22,441,660	12,777	17,098,094	10,926	10,953,587
District 2:						
Pennsylvania	6,954	5,364,964	5,137	3,846,576	4,286	2,435,724
Delaware	557	325,760	382	208,911	287	141,974
Maryland [2]	2,209	2,768,955	1,580	2,224,157	1,206	1,393,987
Virginia	5,212	3,620,580	4,115	2,907,485	2,414	1,731,841
West Virginia	1,264	1,077,184	935	813,455	726	599,187
Puerto Rico	344	2,115,107	274	1,692,081	224	1,251,647
Total	16,540	15,272,559	12,423	11,692,665	9,143	7,554,360
District 3:						
North Carolina	21,956	7,273,747	19,251	6,631,855	2,874	591,582
South Carolina	15,474	5,278,037	13,791	4,817,047	3,510	708,782
Georgia	18,363	6,773,163	15,644	6,220,674	4,950	1,413,877
Florida	3,490	3,533,681	2,593	3,047,157	1,512	2,288,033
Total	59,283	22,858,628	51,279	20,716,733	12,846	5,002,274
District 4:						
Ohio	14,694	9,126,239	10,038	7,850,988	8,682	5,106,082
Indiana	14,992	10,870,062	9,206	8,942,734	7,661	5,409,045
Kentucky	7,131	3,457,090	5,125	3,031,616	4,585	2,070,007
Tennessee	8,927	4,097,990	6,163	3,422,716	4,622	2,143,787
Total	45,744	27,551,381	30,532	23,248,054	25,550	14,728,921
District 5:						
Alabama	6,796	3,730,899	5,459	3,536,206	1,315	893,552
Mississippi	15,002	8,354,246	12,973	8,164,854	1,880	896,588
Louisiana	7,740	6,353,994	6,682	5,835,729	1,844	1,483,143
Total	29,538	18,439,139	25,114	17,536,789	5,039	3,273,283
District 6:						
Illinois	17,359	12,879,620	9,786	10,964,221	7,691	6,198,159
Missouri	13,399	6,703,782	7,214	5,389,014	5,741	3,101,468
Arkansas	12,620	5,485,337	10,124	5,290,516	2,655	936,597
Total	43,378	25,068,739	27,124	21,643,751	16,087	10,236,224

[1] Includes loans purchased from regional agricultural credit corporations.

[2] Includes all of East Central Fruit Growers Production Credit Association of district 2.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 26.—*Applications received and loans closed during 1937, and loans outstanding Dec. 31, 1937, by States*—Continued

District and State	Applications received		Loans closed		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount advanced	Number	Amount
District 7:						
Michigan	10, 533	$4, 490, 143	7, 231	$4, 069, 670	6, 772	$2, 959, 648
Wisconsin	18, 628	8, 523, 681	11, 718	7, 818, 512	10, 749	5, 261, 876
Minnesota	15, 763	8, 627, 428	9, 938	8, 823, 693	9, 005	5, 947, 598
North Dakota	5, 174	2, 392, 284	4, 042	2, 278, 240	3, 626	1, 650, 629
Total	50, 098	24, 033, 536	32, 929	22, 990, 115	30, 152	15, 819, 751
District 8:						
Iowa	4, 958	6, 721, 937	4, 384	7, 418, 030	2, 416	3, 710, 477
South Dakota	5, 672	4, 104, 311	5, 547	4, 624, 286	2, 676	2, 535, 797
Nebraska	4, 244	5, 817, 727	3, 986	6, 070, 843	1, 976	2, 837, 893
Wyoming	495	3, 797, 317	363	3, 376, 294	203	1, 738, 471
Total	15, 369	20, 441, 292	14, 280	21, 489, 453	7, 271	10, 822, 638
District 9:						
Kansas	5, 133	6, 074, 910	3, 233	4, 668, 445	2, 582	2, 233, 514
Oklahoma	7, 910	5, 590, 115	6, 201	5, 177, 286	4, 481	2, 481, 066
Colorado	2, 473	8, 531, 605	1, 580	6, 842, 471	1, 164	3, 139, 532
New Mexico	829	6, 017, 875	663	5, 164, 717	401	2, 182, 805
Total	16, 345	26, 214, 505	11, 677	21, 852, 919	8, 628	10, 036, 917
District 10: Texas	11, 914	24, 446, 617	9, 375	24, 879, 874	5, 600	10, 736, 826
District 11:						
Arizona	920	3, 623, 290	1, 450	3, 786, 773	662	1, 682, 238
Utah	854	5, 207, 497	824	5, 536, 338	643	2, 622, 252
Nevada	137	3, 823, 519	114	3, 013, 416	92	1, 305, 867
California	7, 841	31, 770, 166	6, 257	26, 854, 597	4, 547	11, 006, 726
Total	9, 752	44, 424, 472	8, 645	39, 191, 124	5, 944	16, 616, 883
District 12:						
Montana	3, 674	13, 254, 421	3, 312	12, 250, 759	2, 359	5, 895, 064
Idaho	3, 467	10, 683, 539	2, 493	10, 601, 085	1, 904	5, 359, 092
Washington	3, 008	9, 774, 436	2, 292	7, 754, 988	2, 013	4, 272, 406
Oregon [3]	2, 184	14, 481, 798	1, 547	13, 631, 439	1, 267	6, 860, 670
Total	12, 333	48, 194, 104	9, 644	44, 238, 271	7, 543	22, 387, 232
Grand total	334, 269	319, 386, 722	245, 799	286, 577, 842	144, 729	138, 168, 896

[3] Includes all of Northwest Livestock Production Credit Association of district 12.

NOTE.—Includes data for associations which have been placed in liquidation.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 27.—*Number and amount of applications received, loans closed, and loans outstanding, for specified periods*

Period	Applications received during period		Loans closed [1]		Loans outstanding at end of period	
	Number	Amount	Number	Amount advanced	Number	Amount
Organization through Dec. 31, 1934	288, 950	$235, 355, 164	135, 432	$107, 243, 065	[2] 70, 379	$60, 851, 506
1935	297, 566	252, 321, 871	918, 814	196, 306, 112	116, 929	94, 095, 723
1936	329, 536	278, 138, 241	234, 651	228, 090, 206	129, 352	105. 211, 954
1937	334, 269	319, 386, 722	245, 709	286, 577, 842	144, 720	138, 168, 896
January	40, 736	30, 871, 576	18, 391	17, 712, 736	132, 728	106, 081, 291
February	55, 400	32, 707, 633	37. 178	21, 367, 780	157, 048	114, 550, 837
March	56, 974	34, 226, 552	58, 128	32, 379, 763	198, 547	131, 904, 849
April	33, 375	23, 579, 818	32, 699	27, 897, 643	216, 694	143 902, 243
May	19, 269	17, 104, 343	15, 879	22, 707, 589	214, 998	152, 465, 892
June	18, 269	17. 121, 031	10, 899	21, 440, 184	217, 689	160, 050, 519
July	12, 271	15, 100, 122	8, 964	18, 860, 639	217, 940	163, 552, 931
August	14, 968	19, 281, 818	8, 676	18, 273, 697	209, 691	162, 514, 944
September	16, 605	25, 086, 428	10, 457	22, 457, 421	191, 504	153, 977, 397
October	20, 183	32, 650, 336	13, 216	28, 153, 215	165, 279	142, 651, 658
November	21, 745	36, 741, 717	14. 062	27, 435, 626	150, 106	137, 472, 682
December	24, 474	34, 915, 348	17, 250	27, 891, 549	144, 729	138, 168, 896

[1] Includes loans purchased from regional agricultural credit corporations.

[2] Does not include number of regional agricultural credit corporation loans purchased and outstanding.

NOTE.—Includes data for associations which have been placed in liquidation.

TABLE 28.—*Number and amount of loans examined, number and amount of reserves against probable loan losses, and number and amount of charge-offs on determined losses, as approved by the associations, based on the 1937 credit examinations, by districts*

District	Loans examined		Valuation reserves		Charge-offs	
	Number	Amount	Number	Amount	Number	Amount
Springfield	10, 671	$10, 938, 814. 00	287	$146, 939. 00	35	$13, 580. 00
Baltimore	9, 006	7, 122, 938. 29	250	67, 070. 00	67	11, 379. 00
Columbia	18, 688	5, 361, 067. 03	244	58, 011. 25	126	14, 296. 92
Louisville	25, 596	14, 231, 945. 99	245	93, 980. 44	38	13, 122. 55
New Orleans	9, 925	5, 600, 556. 40	125	28, 268. 44	55	4, 331. 22
St. Louis	18, 293	10, 743, 807. 78	280	77, 026. 71	50	5, 114. 91
St. Paul	29, 459	14, 917, 004. 47	670	120, 692. 47	18	5, 628. 54
Omaha	7, 210	9, 924, 356. 13	76	60, 159. 39	6	4, 398. 14
Wichita	9, 483	10, 649, 813. 73	246	78, 163. 53	25	31, 174. 32
Houston	5, 089	10, 352, 676. 71	169	95, 757. 74	32	1, 965. 15
Berkeley	6, 539	17, 775, 385. 73	139	222, 182. 54	20	9, 335. 20
Spokane	7, 559	21, 848, 851. 45	251	330, 216. 29	34	27, 672. 76
Total	158, 118	139, 464, 717. 71	2, 982	1, 387, 467. 80	501	141, 998. 60

PRODUCTION CREDIT ASSOCIATIONS

TABLE 29.—*Number of farmers or stockmen owning class B stock in production credit associations in January of each year and attendance at stockholders' meetings 1935, 1936, and 1937*

District and State	Number of farmers or stockmen owning class B stock in January of each year			Number of persons attending annual stockholders' meetings [1]		
	1935	1936	1937	1935	1936	1937
District 1:						
Maine	2,790	2,927	676	1,268	1,105	283
New Hampshire	177	238	362	48	97	133
Vermont	561	982	1,274	213	240	493
Massachusetts	875	1,018	1,037	390	417	622
Rhode Island	152	213	254	112	119	211
Connecticut	443	705	837	203	159	376
New York	2,687	4,076	4,972	1,538	1,646	3,788
New Jersey	645	1,139	1,349	731	900	1,204
Total	8,330	11,298	10,761	4,503	4,683	7,110
District 2:						
Pennsylvania	2,267	3,322	3,935	852	1,377	2,599
Delaware	184	240	285	95	190	349
Maryland	832	1,263	1,539	405	821	877
Virginia	2,237	3,060	3,695	1,349	2,052	2,645
West Virginia	309	871	837	131	299	375
Total	5,829	8,756	10,291	2,832	4,739	6,845
District 3:						
North Carolina	11,673	18,364	20,114	6,725	9,402	10,383
South Carolina	9,582	14,664	15,476	5,663	7,508	6,309
Georgia	6,349	11,796	14,331	5,805	6,676	6,939
Florida	1,563	2,342	2,448	1,253	1,601	1,382
Total	29,167	47,166	52,369	19,446	25,187	25,013
District 4:						
Ohio	2,688	5,966	8,431	1,087	1,652	5,422
Indiana	3,017	6,212	8,017	782	1,131	2,945
Kentucky	1,617	3,203	4,475	544	1,025	1,636
Tennessee	3,655	6,215	7,111	872	1,419	2,296
Total	10,977	21,596	28,034	3,285	5,227	12,299
District 5:						
Alabama	2,773	5,964	6,528	2,081	2,209	2,647
Mississippi	5,532	10,247	12,166	2,497	3,964	4,191
Louisiana	3,953	6,236	6,278	1,788	1,997	3,694
Total	12,258	22,447	24,972	6,366	8,170	10,532
District 6:						
Illinois	3,032	5,878	7,579	1,483	2,705	5,712
Missouri	2,406	4,751	6,101	1,288	1,817	2,476
Arkansas	6,808	10,498	10,867	4,039	6,953	7,401
Total	12,246	21,127	24,547	6,810	11,475	15,589

[1] Includes stockholders and visitors.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 29.—*Number of farmers or stockmen owning class B stock in production credit associations in January of each year and attendance at stockholders' meetings 1935, 1936, and 1937*—Continued

District and State	Number of farmers or stockmen owning class B stock in January of each year			Number of persons attending annual stockholders' meetings[1]		
	1935	1936	1937	1935	1936	1937
District 7:						
Michigan	3,258	6,386	7,306	973	1,302	2,203
Wisconsin	4,008	9,098	10,548	904	1,662	6,300
Minnesota	4,255	9,458	9,714	1,788	1,726	4,842
North Dakota	1,879	3,949	4,193	598	746	1,277
Total	13,401	28,891	31,761	4,263	5,436	14,622
District 8:						
Iowa	965	2,073	2,413	811	959	1,879
South Dakota	1,024	2,949	3,189	623	623	889
Nebraska	1,528	2,751	2,844	931	1,219	1,781
Wyoming	196	315	313	112	73	67
Total	3,713	8,088	8,759	2,477	2,874	4,616
District 9:						
Kansas	2,149	3,876	4,122	1,528	2,411	2,055
Oklahoma	4,969	8,788	8,857	1,899	2,760	2,578
Colorado	967	1,705	1,866	659	980	980
New Mexico	380	728	772	391	431	621
Total	8,465	15,097	15,617	4,477	6,582	6,234
District 10: Texas	8,406	11,559	11,811	1,901	6,584	6,056
District 11:						
Arizona	103	184	188	83	93	86
Utah	100	430	605	74	121	173
Nevada	61	92	110	35	68	66
California	3,404	5,266	5,950	1,438	2,290	2,531
Total	3,668	5,972	6,853	1,630	2,572	2,856
District 12:						
Montana	1,762	3,480	3,723	965	1,015	1,207
Idaho	1,005	3,043	3,014	481	535	497
Washington	1,735	2,489	2,534	768	916	1,376
Oregon	726	1,228	1,370	495	523	649
Total	5,228	10,240	10,641	2,709	2,989	3,724
Grand total	121,688	212,237	236,416	60,699	86,518	115,494

[1] Includes stockholders and visitors.

PRODUCTION CREDIT ASSOCIATIONS

TABLE 30.—*Combined statement of condition, Dec. 31, 1937, 550 associations* [1]

ASSETS			
Loans		$138,168,895.59	
Less reserve		1,302,277.65	
			$136,866,617.
Cash			4,002,988.
Bonds (par value):			
U. S. Government obligations, direct and fully guaranteed:			
Pledged	$10,641,250.00		
Unpledged	1,160,300.00		
		$11,801,550.00	
Consolidated Federal farm loan bonds:			
Pledged	59,941,350.00		
Unpledged	15,464,400.00		
		75,405,750.00	
			87,207,300.
Guaranty fund investment			486,400.
Accrued interest receivable:			
On loans		$3,190,068.48	
Less reserve		143,776.55	
Net		3,046,291.93	
On securities		1,355,624.22	
			4,401,916.
Accounts receivable:			
Production credit corporations		50,091.80	
Federal intermediate credit banks		2,641.59	
Other		43,167.47	
			95,900.
Furniture and fixtures (net)			267,059.
Personal and real property		$320,416.72	
Less reserve		53,159.89	
			267,256.
Other assets			43,556
Total assets			233,638,996
LIABILITIES			
Loans rediscounted with Federal intermediate credit banks			119,026,346.
Undisbursed proceeds of loans			441,307.
Notes payable—Federal intermediate credit banks			15,138,531.
Accounts payable:			
Production credit corporations		$374.89	
Federal intermediate credit banks		1,977.63	
Other		67,258.56	
			69,611.
Accrued interest payable—Federal intermediate credit banks:			
On loans		822,963.79	
On funds borrowed		65,085.69	
			888,049.
Other liabilities			9,829.
Capital stock:			
Class A:			
Production credit corporations	$76,145,811.68		
Other	213,765.15		
		$76,359,576.83	
Class B (unimpaired)	13,026,317.10		
Class B (impaired)	364,845.00		
Less impairments	267,084.93		
		13,124,077.17	
			89,483,654.
Reserve for guaranty fund			486,400.
Other surplus reserves and undivided profits			8,095,244.
Total liabilities			233,638,996.

[1] Includes associations which have been placed in liquidation.

BANKS FOR COOPERATIVES

TABLE 31.—*Applications received and approved during 1937, and pending, Dec. 31, 1937, and commitments and advances made during 1937, by banks*

Bank	Applications received	Applications approved		Applications pending Dec. 31, 1937		Net commitments made	Advances made
		Number	Amount	Number	Amount		
Springfield	$7,288,010	138	$5,057,300	11	$730,500	$4,681,812	$4,482,999
Baltimore	5,475,793	58	5,679,257	7	621,536	6,170,207	6,445,016
Columbia	4,224,144	45	3,937,650	5	202,000	1,978,434	1,860,480
Louisville	5,180,120	117	5,716,970	9	572,250	5,520,742	4,605,825
New Orleans	16,754,322	90	16,870,222			20,847,145	15,958,239
St. Louis	2,222,570	122	2,160,370	10	100,500	1,946,457	1,614,912
St. Paul	6,364,664	219	5,957,214	19	288,425	4,715,457	4,609,674
Omaha	2,499,362	123	1,927,692	7	50,770	1,391,046	1,448,454
Wichita	5,063,700	88	4,828,050	11	101,400	4,082,757	2,560,430
Houston	3,587,214	151	3,445,342	3	46,500	2,831,814	2,864,190
Berkeley	17,863,737	149	17,756,537	2	123,000	15,562,444	15,104,784
Spokane	9,359,750	82	8,795,700	4	97,825	6,859,903	7,542,619
Total	85,883,386	1,382	82,132,304	88	2,934,706	76,588,218	69,097,652
Central Bank	84,342,216	11	84,292,216			42,500,911	38,465,160
Eliminations: Participation loans						13,750,000	9,978,314
Grand total	170,225,602	1,393	166,424,520	88	2,934,706	105,339,129	97,584,498

TABLE 32.—*Commitments outstanding Dec. 31, 1937, by banks and by type of commitment*

Bank	Commodity	Operating	Facility	Total
Springfield	$208,000	$686,970	$30,900	$925,870
Baltimore	284,354	601,744	185,717	1,071,815
Columbia	375,000	192,482	50,472	617,954
Louisville	56,963	2,441,292	34,000	2,532,255
New Orleans	3,450,731	2,022,933	41,459	5,515,123
St. Louis	120,381	407,186	11,570	539,137
St. Paul	20,224	949,901	133,953	1,104,078
Omaha	144,526	294,809	1,010	440,345
Wichita	700,000	832,681	122,796	1,655,477
Houston		608,468	19,617	628,085
Berkeley	667,924	1,545,215	114,698	2,327,837
Spokane	115,160	582,400	69,323	766,883
Total	6,143,203	11,166,081	815,515	18,124,859
Central Bank	33,009,965	9,762,900		42,778,865
Eliminations: Participation loans	2,441,486	1,330,200		3,771,686
Grand total	36,711,742	19,604,781	815,515	57,132,038

BANKS FOR COOPERATIVES

TABLE 33.—*Loans outstanding, Dec. 31, 1937, by banks and by type of loan*

Bank	Commodity		Operating		Facility		Total	
	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount	Number[1]	Amount
Springfield	3	$358,326	68	$2,964,939	44	$1,458,213	82	$4,781,478
Baltimore	4	303,945	38	2,228,627	28	801,740	52	3,334,312
Columbia			35	1,093,446	26	724,828	44	1,818,274
Louisville	4	408,337	122	2,082,511	55	393,480	131	2,884,328
New Orleans	4	10,578,109	24	2,105,135	34	1,960,195	49	14,643,439
St. Louis	1	230,642	121	987,975	85	696,870	159	1,915,487
St. Paul	7	411,457	199	2,071,549	190	2,076,229	304	4,559,235
Omaha	7	257,914	189	1,539,551	108	641,498	217	2,438,963
Wichita	3	347,917	76	596,781	90	1,820,192	127	2,764,890
Houston			63	1,508,635	128	1,588,238	146	3,096,873
Berkeley	17	3,130,545	74	4,543,200	88	4,317,147	122	11,990,892
Spokane	11	1,593,061	51	2,352,546	95	3,969,211	111	7,914,818
Total	61	17,620,253	1,060	24,074,895	971	20,447,841	[2] 1,544	62,142,989
Central Bank	7	20,732,091	13	12,967,147	5	1,761,309	15	35,460,547
Elimination: Participation loans	1	8,300,570	4	1,669,800			5	9,970,370
Grand total	67	30,051,774	1,069	35,372,242	976	22,209,150	[2] 1,554	87,033,166

[1] Represents number of cooperative associations having loans outstanding.

[2] The total number of loans outstanding is less than the sum of the 3 types of loans, owing to the fact that some associations have more than 1 type of loan outstanding.

TABLE 34.—*Applications received, net commitments made, advances and loans outstanding, for specified periods*

Period	Applications received	Net commitments made	Advances	Loans outstanding at end of period
Organization through Dec. 31, 1934	$133,149,065	$70,220,991	$67,515,391	$27,850,593
1935	187,987,258	93,540,710	66,347,752	50,013,329
1936	142,332,556	91,764,303	81,294,454	69,647,241
1937:				
January	10,407,242	1,581,591	3,169,495	64,411,197
February	5,405,604	3,392,373	2,589,699	60,355,692
March	10,359,600	8,849,759	3,770,314	56,735,568
April	13,002,607	13,377,365	2,919,876	49,314,444
May	8,715,333	11,033,246	4,166,210	45,000,346
June	27,662,395	[1] -19,390,350	4,988,653	45,032,454
July	36,538,821	6,982,465	12,799,421	52,404,952
August	18,948,289	42,160,310	9,101,538	56,340,787
September	8,809,645	8,404,152	15,469,116	60,896,692
October	12,572,491	15,621,057	11,892,483	73,450,116
November	8,051,286	10,333,405	14,234,976	82,025,516
December	9,752,289	2,993,756	12,482,717	87,033,166

[1] Reflects cancelations and adjustments amounting to $44,030,144.

TABLE 35.—*Advances made in 1937, by commodities, and loans outstanding, Dec. 31, 1937, by type of loan and by commodities*

Commodity	Advances	Type of loan outstanding							
		Commodity		Operating		Facility		Total	
		Number [1]	Amount	Number [1]	Amount	Number [1]	Amount	Number [1]	Amount
Farm products:									
Fruits and vegetables	$10,458,704	24	$5,987,111	141	$8,042,496	146	$5,527,239	207	$19,556,849
Wine and brandy	6,194,399	11	1,913,747	12	1,363,959	12	1,503,661	13	4,781,367
Dairy	4,989,618	7	66,197	114	3,750,261	176	4,252,515	297	8,068,973
Poultry	4,292,612	2	1,532	21	1,975,520	19	472,737	28	2,449,789
Grain	13,403,932	9	1,882,859	266	2,937,383	213	2,273,176	376	7,093,418
Tobacco	1,472,550			1	31,065	2	110,000	3	141,065
Sugar	2,902,805			6	616,082	7	1,974,245	7	2,590,327
Nuts	633,687			3	560,109	1	728	4	560,837
Wool and mohair	5,970,453	3	3,744,952	3	126,348	3	14,117	6	3,885,417
Cotton	23,422,734	4	15,800,669	54	6,889,603	159	1,381,230	173	24,071,502
Livestock	1,316,088			17	1,029,488	3	244,855	18	1,274,343
Other	1,356,258	7	654,734	12	396,737	26	136,487	53	1,187,958
Total farm products	88,323,940	67	30,051,774	680	27,719,051	767	17,891,020	1,095	75,661,845
Farm supply:									
General	7,113,136			148	6,135,564	74	800,659	157	6,936,223
Petroleum products	1,076,583			184	917,163	86	364,042	209	1,281,205
Total farm supply	8,189,719			332	7,052,727	160	1,164,701	366	8,217,428
Farm business services:									
Irrigation	338,739			6	47,339	24	2,513,137	27	2,560,476
Insurance	443,882			30	424,210			30	424,210
Warehousing	21,100			3	21,100	6	223,343	6	244,443
Farmers' markets	70,452			3	69,427	7	347,458	7	416,885
Other	196,666			15	38,388	12	69,491	23	107,879
Total farm business services	1,070,839			57	600,464	49	3,153,429	93	3,753,893
Grand total	97,584,498	67	30,051,774	1,069	35,372,242	976	22,209,150	[2] 1,554	87,633,166

[1] Represents number of cooperative associations having loans outstanding.

[2] The total number of loans outstanding is less than the sum of the 3 types of loans, owing to the fact that some associations have more than 1 type of loan outstanding.

DISTRICT BANKS FOR COOPERATIVES

TABLE 36.—*Loans outstanding, Dec. 31, 1937, by States*

District and State	Loans outstanding		*District and State*	Loans outstanding	
	Number[1]	Amount		Number[1]	Amount
District 1:			District 6:		
Maine	14	$642,169	Illinois	105	$816,504
New Hampshire	4	35,915	Missouri	52	793,483
Vermont	6	1,070,100	Arkansas	2	305,500
Massachusetts	9	1,508,256	Total	159	1,915,487
Rhode Island	1	65,000			
Connecticut	2	96,027	District 7:		
New York	31	1,045,294	Michigan	36	1,880,596
New Jersey	15	318,717	Wisconsin	82	1,181,080
			Minnesota	98	1,068,460
Total	82	4,781,478	North Dakota	88	429,090
			Total	304	4,559,235
District 2:					
Pennsylvania	15	333,435	District 8:		
Maryland	9	812,880	Iowa	104	1,419,785
Virginia	23	2,025,592	South Dakota	44	325,508
West Virginia	4	33,024	Nebraska	59	466,910
Puerto Rico	1	129,381	Wyoming	10	226,760
			Total	217	2,438,963
Total	52	3,334,312			
			District 9:		
District 3:			Kansas	47	731,371
North Carolina	3	21,060	Oklahoma	56	946,043
South Carolina	3	19,862	Colorado	20	1,054,589
Georgia	14	345,066	New Mexico	4	32,887
Florida	24	1,432,286	Total	127	2,764,890
Total	44	1,818,274	District 10: Texas	146	3,096,873
			District 11:		
District 4:			Arizona	4	413,055
Ohio	61	1,197,194	Utah	9	1,383,479
Indiana	61	1,448,223	Nevada	2	32,970
Kentucky	5	197,311	California	107	10,161,388
Tennessee	4	41,600			
			Total	122	11,990,892
Total	131	2,884,328	District 12:		
			Montana	12	85,883
District 5:			Idaho	18	602,481
Alabama	10	129,246	Washington	61	4,089,653
Mississippi	28	11,836,320	Oregon	20	3,136,801
Louisiana	11	2,677,873			
			Total	111	7,914,818
Total	49	14,643,439	Grand total	1,544	[2] 62,142,980

[1] Represents number of cooperative associations having loans outstanding.
[2] Includes participations by the Central Bank for Cooperatives.

BANKS FOR COOPERATIVES

TABLE 37.—*Statements of condition, Dec. 31, 1937*

	Consolidated statement, district banks		Central Bank		Consolidated statement including Central Bank[1]	
ASSETS						
Loans:						
Commodity	$17, 620, 253. 10		$20, 732, 091. 17		$38, 051, 774. 73	
Operating capital	24, 074, 895. 30		12, 967, 147. 12		35, 372, 242. 42	
Facility	20, 447, 840. 54		1, 761, 308. 80		22, 209, 149. 34	
Total	62, 142, 988. 94		35, 460, 547. 09		87, 633, 166. 49	
Less participation certificates *outstanding:* Operating capital	1, 264, 800. 00		350, 000. 00			
Net loans outstanding	60, 878, 188. 94		35, 110, 547. 09		87, 633, 166. 49	
Less reserve	821, 087. 86		500, 000. 00		1, 324, 087. 86	
		$60, 057, 101. 08		$34, 610, 547. 09		$86, 309, 078. 63
Cash:						
On hand and in banks	6, 140, 824. 37				6, 170, 824. 37	
On deposit with Treasurer of United States	627, 112. 50		6, 259, 613. 50		6, 911, 726. 00	
		6, 767, 936. 87		6, 259, 613. 50		13, 082, 550. 37
U. S. *Government obligations,* direct and fully guaranteed:						
Par value	47, 669, 950. 00		35, 098, 500. 00		82, 768, 450. 00	
Unamortized premium (net)	535, 244. 24		363, 994. 39		899, 238. 63	
		48, 205, 194. 24		35, 462, 494. 39		83, 667, 688. 63
Consolidated *Federal intermediate* credit bank debentures	3, 275, 000. 00				3, 275, 000. 00	
Unamortized premium	17, 858. 70				17, 858. 70	
		3, 292, 858. 70				3, 292, 858. 70
Loans in process of liquidation	49, 597. 34				49, 597. 34	
Less reserve	35, 587. 78				35, 587. 78	
		14, 009. 56				14, 009. 56
Assets acquired in *liquidation of loans*	74, 752. 45				74, 752. 45	
Less reserve	59, 500. 00				59, 500. 00	
		15, 252. 45				15, 252. 45
Accounts receivable		14, 843. 44		3, 330. 16		17, 134. 50
Notes receivable, *sales contracts, etc*	46, 004. 27				46, 004. 27	
Less reserve	75. 00				75. 00	
		45, 929. 27				45, 929. 27

Accrued interest receivable:						
Loans to cooperative associations	420, 592. 95		136, 479. 35		557, 072. 30	
Less reserve for delinquent interest on loans	23, 648. 39				23, 648. 39	
Net	396, 944. 56		136, 479. 35		533, 423. 91	
U. S. Government obligations, direct and fully guaranteed	170, 849. 36		225, 998. 78		396, 848. 14	
Consolidated Federal intermediate credit bank debentures	3, 812. 49				3, 812. 49	
Other	830. 82		25. 99		856. 81	
		572, 437. 23		362, 504. 12		934, 941. 35
Automobiles, furniture, fixtures, and equipment (net)		35, 484. 83				35, 484. 83
Prepaid and deferred expense		1, 200. 44				1, 200. 44
Other assets		41, 462. 79		20, 654. 16		61, 181. 12
Total assets		119, 060, 710. 90		76, 719, 143. 12		187, 477, 309. 85
LIABILITIES						
Loans rediscounted with Federal intermediate credit banks		16, 672, 517. 64		12, 431, 521. 63		29, 104, 039. 27
Liability on rediscounted commodity loans of other banks for cooperatives				8, 300, 569. 54		
Accounts payable		12, 156. 41				11, 117. 31
Trust accounts		290, 109. 23				290, 109. 23
Accrued interest payable on loans rediscounted with Federal intermediate credit banks		33, 934. 97		55, 138. 39		80, 073. 36
Other liabilities		203, 498. 82		2, 435. 83		204, 998. 82
Capital stock and guaranty fund:						
Capital stock subscribed by U. S. Government	98, 000, 000. 00		50, 000, 000. 00		118, 000, 000. 00	
Unpaid subscription	3, 500, 000. 00				3, 500, 000. 00	
U. S. Government paid in	94, 500, 000. 00		50, 000, 000. 00		114, 500, 000. 00	
Capital stock—Cooperatives	2, 720, 200. 00		709, 500. 00		3, 429, 700. 00	
Guaranty fund—Cooperatives	122, 600. 00				122, 600. 00	
		97, 342, 800. 00		50, 709, 500. 00		148, 052, 300. 00
Surplus earned		4, 505, 693. 83		5, 219, 978. 03		9, 725, 671. 86
Total liabilities		119, 060, 710. 90		76, 719, 143. 42		187, 477, 309. 85

[1] This statement reflects adjustments necessary *to eliminate items which are included in both the* "Consolidated statement, district banks" and the "Central Bank" statement.

NOTE.—Total commitments outstanding, Dec. 31, 1937, amounted to $57,132,038.14.

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 38.—*Loans and discounts during 1937, by banks and by type of institution*

Federal Intermediate Credit Bank of—	Loans to and discounts for financing institutions			Discounts for banks for cooperatives	Direct loans to cooperative associations	Total
	Production credit associations	Other	Total			
Springfield	$18,657,453	$831,741	$19,489,194	$2,296,040	$4,000,000	$25,785,234
Baltimore	12,321,195	579,150	12,900,345	4,309,871		17,210,216
Columbia	27,652,096	794,500	28,446,596	2,281,590		30,728,186
Louisville	26,039,327	2,775,205	28,814,532	1,703,775		30,518,307
New Orleans	18,241,791	6,597,584	24,839,375	11,760,680		36,600,055
St. Louis	21,200,854	9,501,975	30,702,829	2,008,105	1,129,400	33,840,334
St. Paul	24,163,539	5,139,202	29,302,741	1,330,668		30,633,409
Omaha	22,298,576	6,725,328	29,023,904	731,610		29,755,514
Wichita	22,074,482	4,078,884	26,153,366	1,610,000		27,763,366
Houston	29,537,527	42,303,967	71,841,494	800,000		72,641,494
Berkeley	40,535,911	15,008,812	55,544,723	5,389,481		60,934,204
Spokane	43,100,145	7,121,867	50,222,012	3,538,863		53,760,875
Total	305,822,896	101,458,215	407,281,111	[1]37,155,683	5,129,400	[1]449,566,194

[1] To avoid duplication these amounts have been adjusted to eliminate certificates of participation amounting to $605,000 issued by the Baltimore bank.

TABLE 39.—*Loans and discounts during 1937, by months and by type of institution*

Month	Loans to and discounts for financing institutions			Discounts for banks for cooperatives	Direct loans to cooperative associations	Total
	Production credit associations	Other	Total			
January	$18,852,900	$6,447,697	$25,300,597	$288,634	$123,000	$25,712,231
February	22,060,432	5,660,451	27,720,883	156,500	575,000	28,452,383
March	34,735,443	7,015,001	41,750,444	234,115	417,000	42,401,559
April	29,528,098	8,322,842	37,850,940	444,536	122,000	38,417,476
May	24,149,616	9,969,731	34,119,347	743,116	400,000	35,262,463
June	22,977,326	10,045,715	33,023,041	1,278,904	400,000	34,701,945
July	20,070,293	7,631,278	27,701,571	3,783,977	520,000	32,005,548
August	18,777,496	6,561,910	25,339,406	5,090,671		30,430,077
September	24,053,142	6,720,894	30,774,036	5,053,014	543,500	36,370,550
October	30,327,234	9,661,201	39,988,435	5,647,099	701,900	46,337,434
November	28,917,291	13,176,740	42,094,031	8,017,888	423,000	50,534,919
December	31,373,625	10,244,755	41,618,380	6,417,229	904,000	48,939,609
Total	305,822,896	101,458,215	407,281,111	37,155,683	5,129,400	449,566,194

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 40.—*Loans to cooperative associations and discounts for banks for cooperatives outstanding, Dec. 31, 1937, by commodities*

Type of cooperative and commodity	Direct loans to cooperative associations	Discounts for banks for cooperatives
Marketing associations:		
Cotton		$15,653,274
Wool and mohair		3,744,953
Dried fruits		2,808,042
Canned fruits and vegetables		2,907,260
Rice	$577,871	
Wheat and other grains		1,515,366
Clover, grass, and other seeds		348,048
Marketing associations—Continued.		
Tobacco		
Miscellaneous	$35,600	$2,177,612
Total	613,471	29,154,555
Purchasing associations	1,200,000	
Grand total	1,813,471	29,154,555

TABLE 41.—*Loans and discounts outstanding Dec. 31, 1937, by banks and by type of institution*

Federal Intermediate Credit Bank of—	Financing institutions			Banks for cooperatives	Cooperative associations	Total
	Production credit associations	Other	Total			
Springfield	$10,940,623	$510,805	$11,451,428	$2,112,500	$1,200,000	$14,763,928
Baltimore	7,454,613	587,579	8,042,192	1,785,778		9,827,970
Columbia	4,781,229	420,067	5,201,296	1,760,625		6,961,921
Louisville	14,572,679	1,279,721	15,852,400	1,472,750		17,325,150
New Orleans	2,998,304	2,030,301	5,028,605	11,604,523		16,633,128
St. Louis	10,242,329	4,334,874	14,577,203	1,628,767	613,471	16,819,441
St. Paul	15,593,175	4,117,510	19,710,685	614,831		20,325,516
Omaha	10,721,367	2,358,507	13,079,874	521,413		13,601,287
Wichita	9,892,025	2,009,107	11,901,132	875,000		12,776,132
Houston	10,492,682	12,960,543	23,453,225	775,000		24,228,225
Berkeley	16,383,623	6,092,138	22,475,761	4,077,619		26,553,380
Spokane	21,967,006	3,762,669	25,729,675	1,925,749		27,655,424
Total	136,039,655	40,463,821	176,503,476	29,154,555	1,813,471	207,471,502

TABLE 42.—*Loans and discounts outstanding at the end of each month during 1937, by type of institution*

End of month	Financing institutions			Banks for cooperatives	Cooperative associations	Total
	Production credit associations	Other	Total			
January	$107,221,994	$40,080,237	$147,302,331	$18,602,752	$1,486,159	$167,391,242
February	115,119,440	41,060,867	156,180,307	15,019,324	1,358,747	172,558,378
March	132,221,833	42,367,451	174,589,284	12,027,925	1,304,705	187,921,914
April	144,882,995	44,041,678	188,924,673	8,912,317	1,249,480	199,086,470
May	152,705,186	45,131,258	197,836,444	6,367,399	1,070,095	205,273,938
June	159,445,915	47,337,370	206,783,285	5,531,243	634,926	212,949,454
July	162,498,049	48,167,368	210,665,417	7,611,564	1,125,620	219,402,601
August	161,244,820	48,385,645	209,630,465	10,025,184	1,047,300	220,702,949
September	153,766,397	46,573,495	200,339,892	13,710,485	1,156,861	215,207,238
October	142,012,636	42,414,235	184,426,871	17,885,050	1,229,016	203,540,937
November	135,977,284	40,857,043	176,834,327	24,649,936	1,509,249	202,993,512
December	136,039,655	40,463,821	176,503,476	29,154,555	1,813,471	207,471,502

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 43.—*Loans to and discounts for financing institutions outstanding, Dec. 31, 1937, by States*

District and State	Production credit associations	Other	Total
District 1:			
Maine	$1,007,323	$252,105	$1,259,428
New Hampshire	238,136		238,136
Vermont	1,023,853	201,931	1,225,784
Massachusetts	787,670		787,670
Rhode Island	556,151		556,151
Connecticut	1,286,812	47,660	1,334,472
New York	4,661,694	5,054	4,666,748
New Jersey	1,378,984	4,055	1,383,039
Total	10,940,623	510,805	11,451,428
District 2:			
Pennsylvania	2,545,809	5,320	2,551,129
Delaware	173,219		173,219
Maryland	870,731		870,731
Virginia	1,892,391	97,850	1,990,241
West Virginia	741,712		741,712
Puerto Rico	1,230,752	489,729	1,720,481
Total	7,454,814	592,699	8,047,513
District 3:			
North Carolina	522,164		522,164
South Carolina	642,487		642,487
Georgia	1,330,268		1,330,268
Florida	2,286,310	420,067	2,706,377
Total	4,781,229	420,067	5,201,296
District 4:			
Ohio	5,081,288	568,232	5,649,520
Indiana	5,360,568	1,031,636	6,392,204
Kentucky	2,025,741	9,580	2,035,321
Tennessee	2,105,082	19,439	2,124,521
Total	14,572,679	1,628,857	16,201,566
District 5:			
Alabama	845,687	140,966	986,653
Mississippi	776,360	1,163,656	1,940,016
Louisiana	1,376,257	576,466	1,952,723
Total	2,998,304	1,881,088	4,879,392
District 6:			
Illinois	6,230,402	1,202,764	7,433,166
Missouri	3,085,172	501,648	3,586,820
Arkansas	928,922	581,799	1,610,721
Total	10,244,496	2,286,211	12,530,707

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 43.—*Loans to and discounts for financing institutions outstanding, Dec. 31, 1937, by States*—Continued

District and State	Production credit associations	Other	Total
District 7:			
Michigan	$2,953,933	$307,769	$3,261,702
Wisconsin	5,177,792	1,047,919	6,225,711
Minnesota	5,834,202	1,350,448	7,184,650
North Dakota	1,627,248	1,789,804	3,417,062
Total	15,593,175	4,495,940	20,089,115
District 8:			
Iowa	3,666,342	1,518,833	5,185,175
South Dakota	2,113,665	169,973	2,283,638
Nebraska	3,260,181	554,206	3,814,397
Wyoming	1,747,878	814,361	2,562,239
Total	10,788,066	3,057,373	13,845,439
District 9:			
Kansas	2,201,363	161,616	2,362,979
Oklahoma	2,478,170	1,390,896	3,869,066
Colorado	3,035,714	764,293	3,800,007
New Mexico	2,065,093	662,340	2,727,433
Total	9,780,340	2,979,145	12,759,485
District 10: Texas	10,541,493	13,069,205	23,610,698
District 11:			
Arizona	1,752,452	548,295	2,300,747
Utah	2,562,403	3,291,189	5,853,592
Nevada	1,177,493	242,488	1,419,981
California	11,001,536	1,694,397	12,695,933
Total	16,493,884	5,776,369	22,270,253
District 12:			
Montana	5,831,772	703,482	6,535,254
Idaho	5,157,967	468,672	5,626,639
Washington	4,736,358	1,773,682	6,510,040
Oregon	6,124,655	819,996	6,944,651
Total	21,850,752	3,765,832	25,616,584
Grand total	136,039,655	40,463,821	176,503,476

NOTE.—The district totals do not agree in all cases with those shown in table 41, because the banks have reported outstanding loans and discounts for institutions whose operations extend into States outside their own districts.

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 44.—*Debentures issued during 1934, 1935, 1936, and 1937, by months, and outstanding at the end of each month during 1937*

Month	Issued during month [1]								Outstanding at end of month 1937
	1934		1935		1936		1937		
	Face rate	Par amount	Face rate	Par amount	Face rate	Par amount	Face rate	Par amount	
	Percent		*Percent*		*Percent*		*Percent*		
January	2½	$27,900,000	1½	$36,550,000	1½	$37,250,000	1½	$29,850,000	$142,950,000
February	2½	8,900,000	1½	22,850,000	1½	14,980,000	1½	26,250,000	147,820,000
March	2	24,815,000	1½	34,150,000	1½	22,050,000	1½	25,600,000	160,970,000
April	2	45,000,000	1½	33,150,000	1½	21,000,000	1½	33,200,000	172,470,000
May	2	32,375,000	1½	25,250,000	1½	10,220,000	1½	17,625,000	177,545,000
June	2	27,500,000	1½	8,850,000	1½	13,050,000	1½	30,700,000	180,895,000
July	1½	35,000,000	1½	11,120,000	1½	23,150,000	1½	36,250,000	188,145,000
August	1½	14,200,000	1½	15,450,000	1½	11,200,000	1½	33,250,000	189,745,000
September	1½	12,900,000	1½	18,700,000	1½	22,990,000	1½	27,300,000	191,145,000
October	1½	30,050,000	1½	23,350,000	1½	22,050,000	1½	34,300,000	180,745,000
November	1½	9,615,000	1½	16,900,000	1½	23,770,000	1½	34,050,000	172,150,000
December	1½	18,395,000	1½	21,800,000	1½	24,850,000	1½	26,400,000	171,950,000
Total		286,650,000		268,120,000		246,560,000		354,775,000	

[1] Beginning in October 1935 and thereafter only consolidated debentures have been issued; the last of the debentures issued by the individual banks were retired in September 1936.

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 45.—*Consolidated statement of condition, Dec. 31, 1937*

ASSETS

Loans and discounts:			
Production credit associations		$136,039,655.53	
Other financing institutions	$40,463,820.64		
Less reserve	700,880.21	39,762,940.43	
Banks for cooperatives		29,154,555.25	
Cooperative associations		1,813,470.58	
			$206,770,621.79
Notes receivable		1,242,027.31	
Less reserve		566,618.96	
			675,408.35
Cash—General funds			7,298,678.21
Cash—Held as collateral			945,882.92
U. S. Government obligations, direct and fully guaranteed (at cost or par, whichever is lower)			73,404,455.86
Accounts receivable			21,358.77
Accrued interest receivable:			
Loans and discounts:			
Production credit associations		$1,022,366.36	
Other financing institutions	$103,622.36		
Less reserve	438.68		
		103,183.68	
Banks for cooperatives and cooperative associations		93,243.50	
Net		1,218,793.54	
Notes receivable	$29,497.02		
Less reserve	596.77		
		28,900.25	
U. S. Government obligations, direct and fully guaranteed		240,306.99	
			1,488,000.78
Automobiles, furniture, fixtures, and equipment		344,519.03	
Less reserve		344,519.03	
Prepaid and deferred expense			260.00
Other assets		412,220.57	
Less reserve		309,630.47	
			102,590.10
Total assets			290,707,256.78

LIABILITIES

Unmatured consolidated debentures outstanding			174,950,000.00
Notes payable			
Trust accounts			154,285.03
Accounts payable			8,228.38
Franchise tax payable			[1] 741,274.93
Liability for cash collateral			945,882.92
Deferred proceeds, loans and discounts			5,000.00
Accrued interest payable (not yet due):			
Debentures		$711,302.01	
Other			
			711,302.01
Interest collected, not earned			107,379.61
Unamortized premium on outstanding debentures			467,405.58
Other liabilities			55,492.86
Capital stock paid in		$70,000,000.00	
Surplus paid in		30,000,000.00	
Surplus earned		11,461,005.46	
Reserve for contingencies		1,100,000.00	
			112,561,005.46
Total liabilities			290,707,256.78

[1] This amount was paid to the Treasurer of the United States on Jan. 18, 1938.

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 46.—*Consolidated profit and loss statement for the year ended Dec. 31, 1937, and t year ended Dec. 31, 1936*

Item	Jan. 1 to Dec. 31, 1937		Jan. 1 to Dec. 31, 1936	
EARNINGS				
Interest:				
Loans and discounts	$4,008,287.48		$3,652,232.81	
U. S. Government obligations, direct and fully guaranteed	1,595,976.67		1,924,304.59	
Notes receivable	71,408.25		126,648.15	
Other interest earned	6,094.81		6,033.00	
Gross earnings		$5,981,767.21		$5,709,218.
DEDUCTIONS FROM EARNINGS				
Interest on debentures (net)	1,135,109.61		834,803.21	
Other interest expense	1,015.37		20.62	
Operating expense	1,643,079.36		1,856,461.02	
Other charges to operations	101,616.65		86,267.31	
Total deductions from gross earnings		2,880,820.99		2,777,552.1
Net operating earnings		3,100,946.22		2,931,666.4
OTHER EARNINGS				
Discount on securities (amortized), and profit on securities sold	608,551.18		1,475,208.93	
Miscellaneous other additions	10,639.15		35,462.84	
Total other earnings		619,190.33		1,510,671.7
OTHER DEDUCTIONS				
Premium written off on securities purchased and loss on securities sold	175,773.44		636,383.05	
Charge-offs (less recoveries)	343,857.47		56,547.73	
Unrealized interest on notes receivable, deferred	260,024.62	779,655.53		692,930.7
Net profit before adjustment of valuation reserves		2,940,481.02		3,749,407.44
Adjustment of valuation reserves:				
Reserve for loans, discounts and notes receivable	+1,879,497.52		1,285,062.67	
Reserve for accrued interest receivable	+102,681.05		+14,662.98	
Reserve for other assets	5,975.52	+1,976,203.05	55,194.40	1,825,594.09
Net profit after adjustment of valuation reserves		4,916,684.07		2,423,813.35

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 47.—*Statements of condition, Dec. 31, 1937*

	Springfield		Baltimore		Columbia		Louisville	
ASSETS								
Loans and discounts:								
Production credit associations	$10,940,622.73		$7,454,613.78		$4,781,228.52		$14,572,679.39	
Other financing institutions	510,804.62		587,578.45		420,067.35		1,279,720.96	
Banks for cooperatives	2,112,500.00		1,785,778.14		1,760,625.00		1,472,750.00	
Cooperative associations	1,200,000.00							
Total loans and discounts	14,763,927.35		9,827,970.37		6,961,920.87		17,325,150.35	
Less reserve (other financing institutions)			14,728.45					
		$14,763,927.35		$9,813,241.92		$6,961,920.87		$17,325,150.35
Notes receivable	233.72		166,263.48		5,428.78			
Less reserve	233.72		86,846.28		82.50			
				79,417.20		5,346.28		
Cash—General funds		157,931.08		933,173.38		364,134.98		1,092,715.45
Cash—Held as collateral		14,172.80				3,251.23		
U. S. Government obligations, direct and fully guaranteed (at cost or par, *whichever is lower*)		4,399,455.86		5,150,000.00		6,250,000.00		4,950,000.00
Accounts receivable		1,666.92		1,446.41		38.13		54.62
Accrued interest receivable:								
Loans and discounts:								
Production credit associations	70,428.38		32,632.28		104,187.43		76,496.07	
Other financing institutions	813.04		3,907.87		743.08		3,858.73	
Banks for cooperatives and cooperative associations	11,608.08		7,926.80		7,555.48		6,116.32	
Notes receivable			27,582.80		38.38			
Total	82,849.50		72,049.75		112,524.97		86,471.12	
Less reserves			399.46					
Net accrued interest receivable on loans, discounts, and notes receivable	82,849.50		71,650.29		112,524.97		86,471.12	
U. S. Government obligations, direct and fully guaranteed	10,910.91		19,711.12		40,638.92		12,082.10	
		93,760.41		91,361.41		153,163.89		98,553.22

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 47.—*Statements of condition, Dec. 31, 1937*—Continued

	Springfield		Baltimore		Columbia		Louisville	
ASSETS—Continued								
Automobiles, furniture, fixtures and equipment	$23,345.36		$19,378.14		$42,135.28		$18,368.76	
Less reserves	23,345.36		19,378.14		42,135.28		18,368.76	
Prepaid and deferred expense								
Other assets	2,987.90		74,936.97		13,723.23		5,825.00	
Less reserve		$2,987.90	70,159.98	$4,776.99	9,898.23	$3,825.00		$5,825.00
Total assets		19,433,902.32		16,073,417.31		13,741,680.38		23,472,208.64
LIABILITIES								
Unmatured consolidated debentures outstanding		12,500,000.00		9,250,000.00		3,750,000.00		16,200,000.00
Drafts outstanding—Due to other Federal intermediate credit banks								
Notes payable								
Trust accounts		48,031.11		12,551.17				500.00
Accounts payable				1,137.53				13.87
Franchise tax payable		40,319.81		60,117.06				50,332.36
Liability for cash collateral		11,172.80				3,251.23		
Deferred proceeds, loans and discounts								
Accrued interest payable (not yet due).								
Debentures	58,531.24		35,695.85		2,500.00		68,383.34	
Other								
		58,531.24		35,695.85		2,500.00		68,383.34
Interest collected, not earned		139.27		1,600.15				
Unamortized premium on outstanding debentures		31,411.99		21,757.81		23,319.49		39,850.46
Other liabilities		6,094.53		4,620.33		3,491.66		4,789.01
Capital stock paid in		5,000,000.00		5,000,000.00		5,000,000.00		5,000,000.00
Surplus paid in	400,000.00		800,000.00		5,200,000.00		800,000.00	
Less impairment					240,882.00			
		400,000.00		800,000.00		4,959,118.00		800,000.00
Surplus earned		1,335,138.27		885,634.41				1,308,429.60
Reserve for contingencies								
Total liabilities		19,433,902.32		16,073,417.31		13,741,680.38		23,472,208.64

	New Orleans		St. Louis		St Paul		Omaha	
ASSETS								
Loans and discounts:								
Production credit associations	$2,998,304.40		$10,242,329.09		$15,593,174.95		$10,721,367.48	
Other financing institutions	2,030,300.34		4,334,873.70		4,117,510.91		2,358,506.66	
Banks for cooperatives	11,604,523.47		1,628,767.13		614,830.48		521,413.05	
Cooperative associations			613,470.58					
Total loans and discounts	16,633,128.21		16,819,440.50		20,325,516.34		13,601,287.19	
Less reserve (other financing institutions)					200,000.00		135,000.00	
		$16,633,128.21		$16,819,440.50		$20,125,516.34		$13,466,287.19
Notes receivable	32,675.00		188,461.31		47,172.69		45,550.31	
Less reserve	32,675.00				47,172.69		15,000.00	
				188,461.31				30,550.31
Cash—General funds		490,130.09		814,966.76		965,471.37		431,500.10
Cash—Held as collateral		1,551.60		65,259.60		126,085.74		86,393.01
U. S. Government obligations, direct and fully guaranteed (at cost or par whichever is lower)		3,625,000.00		4,115,000.00		9,220,000.00		7,000,000.00
Accounts receivable		.95		1,896.29		601.35		8,640.20
Accrued interest receivable:								
Loans and discounts:								
Production credit associations	36,677.46		17,480.58		131,843.69		97,625.17	
Other financing institutions	3,101.36		4,642.65		52.48		10,873.90	
Banks for cooperatives and cooperative associations	19,913.18		8,363.24		2,279.72		2,670.27	
Notes receivable			178.85				835.59	
Total	59,692.00		30,665.62		134,175.89		112,004.93	
Less reserve								
Net accrued interest receivable on loans, discounts, and notes receivable	59,692.00		30,665.62		134,175.89		112,004.93	
U. S. Government obligations, direct and fully guaranteed	14,348.73		11,142.29		24,311.17		18,097.48	
		74,040.73		41,807.91		158,487.06		130,102.41
Automobiles, furniture, fixtures and equipment	23,288.09		31,835.85		30,079.58		26,949.67	
Less reserve	23,288.09		31,835.85		30,079.58		26,949.67	

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 47.—*Statements of condition, Dec. 31, 1937*—Continued

	New Orleans		St. Louis		St. Paul		Omaha	
ASSETS—Continued								
Prepaid and deferred expense		$120.00		$40.00				
Other assets	$6,269.52		$6,225.00		$3,956.16		$7,116.65	
Less reserve	3,844.52				1,231.16		1,291.65	
		2,425.00		6,225.00		$2,725.00		$5,825.00
Total assets		20,835,396.58		22,053,001.28		30,598,889.86		21,159,358.22
LIABILITIES								
Unmatured consolidated debentures outstanding		14,000,000.00		15,200,000.00		17,500,000.00		10,100,000.00
Drafts outstanding—Due to other Federal intermediate credit banks								
Notes payable								
Trust accounts		7,435.89		5,075.30		48,176.34		1,740.67
Accounts payable		2,211.35		3,659.23		738.90		
Franchise tax payable		61,359.88		47,432.17		97,883.22		82,973.55
Liability for cash collateral		1,551.60		65,259.60		126,085.74		86,393.01
Deferred proceeds, loans and discounts								
Accrued interest payable (not yet due):								
Debentures	21,020.84		67,133.35		77,833.33		39,483.34	
Other								
		21,020.84		67,133.35		77,833.33		39,483.34
Interest collected, not earned				15,398.20				
Unamortized premium on outstanding debentures		44,305.14		34,277.38		44,168.74		25,729.55
Other liabilities		7,922.06		3,415.11		6,665.95		2,000.65
Capital stock paid in		5,000,000.00		5,000,000.00		7,000,000.00		6,000,000.00
Surplus paid in	1,200,000.00		500,000.00		3,700,000.00		2,800,000.00	
Less impairment								
		1,200,000.00		500,000.00		3,700,000.00		2,800,000.00
Surplus earned		489,589.82		1,111,350.94		1,297,337.64		1,871,037.45
Reserve for contingencies						700,000.00		150,000.00
Total liabilities		20,835,396.58		22,053,001.28		30,598,889.86		21,159,358.22

	Wichita		Houston		Berkeley		Spokane	
ASSETS								
Loans and discounts:								
Production credit associations	$9,892,024.42		$10,492,682.24		$16,383,622.80		$21,967,005.73	
Other financing institutions	2,009,107.10		12,960,542.72		6,092,138.54		3,762,669.29	
Banks for cooperatives	875,000.00		775,000.00		4,077,618.88		1,925,749.10	
Cooperative associations								
Total loans and discounts	12,776,131.52		24,228,224.96		26,553,380.22		27,655,424.12	
Less reserve (other financing institutions)					286,140.00		65,011.76	
		$12,776,131.52		$24,228,224.96		$26,267,240.22		$27,590,412.36
Notes receivable	368,858.55		66,483.44				320,900.03	
Less reserve	175,918.75		59,679.94				149,010.08	
		192,939.80		6,803.50				171,889.95
Cash—General funds		555,701.29		534,871.50		180,032.24		788,989.67
Cash—Held as collateral		32,780.06		223,926.13		105,279.28		287,183.49
U. S. Government *obligations, direct and fully guaranteed* (at cost or par whichever is lower)		7,050,000.00		5,250,000.00		9,400,000.00		6,995,000.00
Accounts receivable		364.39		282.29		1,097.06		6,572.56
Accrued interest receivable:								
Loans and discounts:								
Production credit associations	33,131.78		68,055.56		106,212.80		245,594.86	
Other financing institutions	3,244.22		303.19		35,518.23		36,563.01	
Banks for cooperatives and cooperative associations	4,407.94		3,738.35		7,917.05		10,747.07	
Notes receivable			212.69				648.71	
Total	40,783.94		72,309.79		151,648.08		293,553.65	
Less reserve			180.54				455.45	
Net accrued interest receivable on loans, discounts, and notes receivable	40,783.94		72,129.25		151,648.08		293,098.20	
U. S. Government obligations, direct and fully guaranteed	22,481.94		13,767.35		32,682.55		20,132.43	
		63,265.88		85,896.60		184,330.63		313,230.63
Automobiles, furniture, fixtures and equipment	33,616.19		31,746.52		28,454.49		35,321.10	
Less reserve	33,616.19		31,746.52		28,454.49		35,321.10	

FEDERAL INTERMEDIATE CREDIT BANKS

TABLE 47.—*Statements of Condition, Dec. 31, 1937*—Continued

	Wichita		Houston		Berkeley		Spokane	
ASSETS—Continued								
Prepaid and deferred expense								$100.00
Other assets	$221,303.62		$3,480.77		$11,415.42		$54,980.33	
Less reserve	177,443.83		855.77				44,905.33	
		$43,859.79		$2,625.00		$11,415.42		10,075.00
Total assets		20,715,042.73		30,332,630.28		36,149,394.83		36,163,453.66
LIABILITIES								
Unmatured consolidated debentures outstanding		9,700,000.00		19,950,000.00		22,850,000.00		23,950,000.00
Drafts outstanding—Due to other Federal intermediate credit banks						20,000.00		
Notes payable								
Trust accounts		242.93		3,328.71		26,416.91		779.70
Accounts payable								167.50
Franchise tax payable		69,966.53		103,438.69				127,421.66
Liability for cash collateral		32,780.06		223,926.13		105,279.26		287,183.49
Deferred proceeds, *loans and discounts*								5,000.00
Accrued interest payable (not yet due):								
Debentures	40,195.83		95,420.71		110,308.35		94,795.83	
Other								
		40,195.83		95,420.71		110,308.35		94,795.83
Interest collected, not earned				90,241.99				
Unamortized premium on outstanding debentures		26,184.06		51,949.51		56,582.74		67,838.71
Other liabilities		5,531.85		4,008.48		3,733.06		4,429.48
Capital stock paid in		6,000,000.00		7,000,000.00		7,000,000.00		7,000,000.00
Surplus paid in	3,600,000.00		800,000.00		6,400,000.00		3,800,000.00	
Less impairment					422,925.49			
		3,600,000.00		800,000.00		5,977,074.51		3,800,000.00
Surplus earned		1,240,141.47		2,010,316.06				575,837.29
Reserve for contingencies								250,000.00
Total liabilities		20,715,042.73		30,332,630.28		36,149,394.83		36,163,453.66

FEDERAL FARM MORTGAGE CORPORATION

TABLE 48.—*Federal Farm Mortgage Corporation bonds issued and retired from organization to Dec. 31, 1937, and outstanding, Dec. 31, 1937*

Date of issue	Term (years)	Rate (percent)	Maturity	Amount issued	Amount retired	Amount outstanding Dec. 31, 1937
Mar. 1, 1934	1–2	2	Mar. 1, 1936	$76,900,000	$76,900,000	
Mar. 15, 1934	10–30	3¼	Mar. 15, 1964	106,231,200	8,202,600	$98,028,600
May 15, 1934	10–15	3	May 15, 1949	983,659,800	121,574,200	862,085,000
Jan. 15, 1935	7–12	3	Jan. 15, 1947	237,565,400	1,083,200	236,482,200
Feb. 15, 1935	2½	1½	Aug. 15, 1937	22,325,000	22,325,000	
Mar. 1, 1935	7–12	2¾	Mar. 1, 1947	104,755,600	1,608,100	103,147,500
Sept. 3, 1935	4	1½	Sept. 3, 1939	100,122,000		100,122,000
Aug. 16, 1937	(1)	⅝	Feb. 16, 1938	10,000,000	5,000,000	5,000,000
Nov. 1, 1937	2	1¼	Nov. 1, 1939	10,000,000		10,000,000
Total				1,651,559,000	236,693,100	1,414,865,900

[1] 6 months.

TABLE 49.—*Land Bank Commissioner loans closed and outstanding, by years, 1933–37*

Year	Loans closed		Loans outstanding Dec. 31	
	Number	Amount	Number	Amount
1933	[1] 44,039	[1] $70,812,112	43,994	$70,738,461
1934	306,354	553,136,316	347,299	616,825,108
1935	91,004	196,395,349	431,205	794,726,418
1936	38,929	77,257,795	455,082	836,778,547
1937	21,873	40,020,173	455,291	812,749,284
Total	502,199	937,621,745		

[1] May 12, 1933, through Dec. 31, 1933.

TABLE 50.—*Land Bank Commissioner loans closed during 1937 and outstanding Dec. 31, 1937, by States*

District and State	Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount
District 1:				
Maine	110	$187,800	2,413	$4,427,133
New Hampshire	47	64,600	494	813,385
Vermont	86	114,900	1,136	1,591,666
Massachusetts	261	510,900	2,153	4,106,348
Rhode Island	67	142,200	305	611,415
Connecticut	193	375,900	1,473	2,852,511
New York	765	1,305,900	7,521	13,596,006
New Jersey	255	514,400	2,275	4,690,645
Total	1,784	3,216,600	17,770	32,689,109
District 2:				
Pennsylvania	345	456,900	5,519	8,549,524
Delaware	21	38,500	275	497,217
Maryland	128	225,700	2,045	4,135,598
Virginia	264	416,500	5,056	8,024,503
West Virginia	115	172,000	2,652	3,207,695
Puerto Rico	80	313,700	500	1,260,205
Total	953	1,623,300	16,047	25,674,740

FEDERAL FARM MORTGAGE CORPORATION

TABLE 50.—*Land Bank Commissioner loans closed during 1937 and outstanding Dec. 31, 1937, by States*—Continued

District and State	Loans closed during 1937		Loans outstanding Dec. 31, 1937	
	Number	Amount	Number	Amount
District 3:				
North Carolina	608	$667,795	12,777	$16,237,571
South Carolina	322	358,615	9,324	11,612,847
Georgia	579	572,443	14,145	16,274,368
Florida	181	254,870	5,345	8,511,622
Total	1,690	1,853,723	41,591	52,636,408
District 4:				
Ohio	595	1,067,200	13,708	22,813,703
Indiana	715	1,187,700	16,074	24,740,645
Kentucky	288	518,100	11,225	16,948,480
Tennessee	455	654,400	10,941	14,344,357
Total	2,053	3,427,400	51,948	78,847,185
District 5:				
Alabama	738	609,725	10,051	8,928,604
Mississippi	409	343,250	10,752	8,878,294
Louisiana	190	264,725	4,642	5,103,629
Total	1,337	1,217,700	25,445	22,910,527
District 6:				
Illinois	1,182	3,092,500	16,717	42,773,384
Missouri	612	951,700	14,017	21,981,031
Arkansas	285	460,000	6,766	7,470,032
Total	2,079	4,504,200	37,500	72,224,447
District 7:				
Michigan	698	932,100	19,447	26,636,751
Wisconsin	575	1,061,800	24,631	51,362,538
Minnesota	761	1,459,100	25,108	51,187,911
North Dakota			20,659	38,400,102
Total	2,034	3,453,000	89,845	167,587,302
District 8:				
Iowa	1,384	3,830,300	21,773	60,586,915
South Dakota	396	901,400	12,911	24,818,491
Nebraska	1,061	2,484,100	16,559	37,831,704
Wyoming	126	303,200	2,941	4,798,121
Total	2,967	7,519,000	54,184	128,035,231
District 9:				
Kansas	1,031	1,691,700	21,962	44,646,735
Oklahoma	642	889,600	13,269	18,512,657
Colorado	432	747,700	6,536	11,087,055
New Mexico	164	274,600	1,881	3,060,047
Total	2,269	3,603,600	43,648	77,306,494
District 10: Texas	2,234	3,540,100	31,479	53,956,011
District 11:				
Arizona	132	332,700	1,037	2,166,431
Utah	97	209,800	3,587	6,280,382
Nevada	22	74,400	283	821,471
California	1,193	3,199,500	19,867	49,834,154
Total	1,444	3,816,400	24,774	59,102,438
District 12:				
Montana	192	388,900	5,465	11,776,263
Idaho	237	417,650	5,016	9,967,047
Washington	293	693,300	5,479	9,686,710
Oregon	307	745,300	5,100	10,349,372
Total	1,029	2,245,150	21,060	41,779,392
Grand total	21,873	40,020,173	455,291	812,749,284

FEDERAL FARM MORTGAGE CORPORATION

TABLE 51.—*First and second mortgage Land Bank Commissioner loans closed during 1937, and second-mortgage loans as a percent of the total, by districts*

District	First mortgage loans		Second mortgage loans		Total first and second mortgage loans		Second mortgage loans as a percent of total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Springfield	539	$1,107,800	1,245	$2,108,800	1,784	$3,216,600	69.8	65.6
Baltimore	233	395,800	720	1,227,500	953	1,623,300	75.6	75.6
Columbia	1,107	1,130,148	583	723,575	1,690	1,853,723	34.5	39.0
Louisville	894	1,506,200	1,159	1,921,200	2,053	3,427,400	56.5	56.1
New Orleans	704	525,500	633	692,200	1,337	1,217,700	47.3	56.8
St. Louis	814	1,537,000	1,265	2,967,200	2,079	4,504,200	60.8	65.9
St. Paul	594	1,001,100	1,440	2,451,900	2,034	3,453,000	70.8	71.0
Omaha	673	1,698,500	2,294	5,820,500	2,967	7,519,000	77.3	77.4
Wichita	854	1,236,500	1,415	2,367,100	2,269	3,603,600	62.4	65.7
Houston	955	1,419,600	1,279	2,120,500	2,234	3,540,100	57.3	59.9
Berkeley	506	1,249,800	938	2,566,600	1,444	3,816,400	65.0	67.3
Spokane	355	566,600	674	1,678,550	1,029	2,245,150	65.5	74.8
Total	8,228	13,374,548	13,645	26,645,625	21,873	40,020,173	62.4	66.6

TABLE 52.—*Percentage of Land Bank Commissioner loan proceeds used to refinance indebtedness from Jan. 1, 1937, through Dec. 31, 1937, classified according to type of indebtedness and class of creditor, by States* [1]

District and State	First and junior mortgages held by—				Other indebtedness owed to—			Total
	Life insurance companies	Commercial banks	Joint stock land banks	Others	Commercial banks	Tax authorities	Other creditors	
District 1:								
Maine		10.7		38.8	3.4	5.5	18.0	76.4
New Hampshire		21.1		21.4	4.6	2.5	11.3	60.9
Vermont		10.3		39.0	5.7	2.2	14.0	71.2
Massachusetts		10.5		33.7	2.6	4.1	12.4	63.3
Rhode Island		8.6		32.3	.6	3.6	13.5	58.6
Connecticut		9.9		42.2	1.2	3.2	12.1	68.6
New York		7.9	0.8	33.7	5.3	1.5	17.5	66.7
New Jersey		5.4	.7	46.2	2.3	4.7	9.0	68.3
Total		8.7	.4	36.9	3.6	3.0	14.3	66.9
District 2:								
Pennsylvania		10.6	.7	38.0	6.5	1.2	13.5	70.5
Delaware		18.1		40.7	.7		7.4	66.9
Maryland	1.0	6.8	4.8	35.7	6.7	4.2	3.7	62.9
Virginia	1.5	11.6	1.1	35.3	10.9	.5	7.3	68.2
West Virginia		13.4	3.7	33.1	8.6	.1	18.4	77.3
Total [2]	.6	10.9	1.9	36.2	8.0	1.3	10.3	69.2
District 3:								
North Carolina	2.2	9.9	8.1	39.8	2.7	2.4	8.3	73.4
South Carolina	1.5	6.0	2.4	39.9	4.0	2.5	5.6	61.9
Georgia	11.0	13.5	2.4	31.1	.7	2.3	6.1	67.1
Florida	.3	8.5		41.2	10.0	2.4	6.9	69.3
Total	4.5	10.1	4.1	37.4	3.3	2.4	6.9	68.7

[1] For same information on Federal land bank loans see table 7. For percentage of loan proceeds used for all purposes including refinancing see table 4.

[2] Excluding Puerto Rico.

FEDERAL FARM MORTGAGE CORPORATION

TABLE 52.—*Percentage of Land Bank Commissioner loan proceeds used to refinance indebtedness from Jan. 1, 1937, through Dec. 31, 1937, classified according to type of indebtedness and class of creditor, by States*—Continued

District and State	First and junior mortgages held by—				Other indebtedness owed to—			Total
	Life insurance companies	Commercial banks	Joint-stock land banks	Others	Commercial banks	Tax authorities	Other creditors	
District 4:								
Ohio	5.3	17.0	2.7	25.0	7.6	0.8	7.0	65.4
Indiana	7.0	10.9	2.6	20.2	7.5	.4	6.3	54.9
Kentucky	4.3	16.2	1.1	31.7	8.1	.3	8.6	70.3
Tennessee	9.9	14.8	.6	34.4	6.7	2.3	8.5	77.2
Total	6.6	14.3	2.0	26.1	7.5	.9	7.3	64.7
District 5:								
Alabama	5.6	9.7	4.8	48.6	1.3	.1	6.3	76.4
Mississippi	6.9	23.1	.1	46.2	2.1	1.0	2.6	82.0
Louisiana	1.7	18.7	1.3	51.8	1.2	1.0	3.5	79.2
Total	4.8	15.1	2.8	48.9	1.4	.6	4.8	78.4
District 6:								
Illinois	13.6	9.9	5.3	26.2	3.7	.5	6.8	66.0
Missouri	13.5	13.8	3.7	30.4	6.9	.9	5.2	80.4
Arkansas	7.9	17.3	9.8	38.6	2.3	1.5	4.5	81.9
Total	13.0	11.5	5.4	30.2	4.2	.7	6.9	71.9
District 7:								
Michigan	.3	8.9	.2	27.7	2.0	1.2	8.9	49.2
Wisconsin	2.2	5.7	-------	47.9	2.8	.5	10.9	70.0
Minnesota	7.3	3.3	.4	36.0	2.1	1.4	9.1	59.6
North Dakota	-------	-------	-------	-------	-------	-------	-------	-------
Total	3.8	5.6	.2	37.4	2.3	1.1	9.6	60.0
District 8:								
Iowa	21.1	6.0	3.4	26.9	4.5	.7	6.2	69.7
South Dakota	15.1	4.7	1.7	27.4	5.7	8.0	18.8	81.4
Nebraska	10.4	5.8	.6	41.9	9.5	1.8	10.0	80.0
Wyoming	1.0	12.7	16.3	31.7	3.8	1.6	8.3	75.4
Total	16.0	6.5	2.8	32.1	6.2	2.0	9.1	74.7
District 9:								
Kansas	10.9	10.2	.8	29.7	6.9	1.2	5.1	73.8
Oklahoma	18.7	8.0	.3	31.8	3.8	1.2	3.1	66.9
Colorado	2.3	7.3	10.1	44.2	3.9	2.5	5.0	75.3
New Mexico	.4	8.7	-------	47.9	5.8	.9	9.7	73.4
Total	14.5	8.9	2.6	34.6	5.5	1.4	4.9	72.4
District 10. Texas	12.3	8.0	4.7	32.4	2.0	2.6	3.5	66.4
District 11:								
Arizona	6.3	13.8	11.6	38.0	.8	3.1	6.5	80.1
Utah	3.6	24.5	-------	48.4	6.1	1.3	5.7	89.6
Nevada	-------	23.0	8.0	39.0	.5	1.0	15.2	86.7
California	3.7	17.8	.6	44.9	4.5	1.9	6.6	80.0
Total	3.8	17.9	1.7	44.5	4.2	1.9	6.7	80.7
District 12:								
Montana	4.2	13.9	4.1	38.2	2.7	4.1	9.2	76.4
Idaho	9.6	11.3	.5	41.6	2.6	1.3	7.1	74.0
Washington	21.9	13.2	.3	29.1	3.3	1.8	4.4	74.0
Oregon	9.1	7.8	18.3	39.5	2.9	2.2	7.7	87.5
Total	12.3	11.2	7.0	36.4	2.9	2.2	6.9	78.9
Grand total[1]	9.3	10.1	2.9	34.8	4.6	1.7	7.7	71.1

FEDERAL FARM MORTGAGE CORPORATION

TABLE 53.—*Disposition of interest installments on Land Bank Commissioner mortgage loans during 1937, by districts*

District	Interest installments delinquent on Jan. 1, 1937	Interest installments matured during 1937	Total amount collectible	Disposition			Percent of total delinquent on Dec. 31, 1937
				Percent of total collected	Percent of total extended or reamortized	Percent of total transferred to loans called for foreclosure or charged off	
Springfield	$229,286	$1,441,276	$1,670,562	83.0	----------	2.4	14.6
Baltimore	82,582	1,208,695	1,291,277	92.4	(1)	2.6	5.0
Columbia	387,766	2,076,140	2,463,906	84.8	1.9	2.7	10.6
Louisville	135,007	3,782,669	3,917,676	93.7	----------	1.0	5.3
New Orleans	161,928	956,338	1,118,266	70.4	1.4	1.6	26.6
St. Louis	285,613	3,315,543	3,601,156	89.1	(1)	1.7	9.2
St. Paul	4,348,055	7,965,461	12,313,516	52.3	8.5	5.2	34.0
Omaha	1,916,400	5,852,282	7,768,682	59.3	2.1	3.9	34.7
Wichita	1,158,416	3,703,305	4,861,721	67.0	.9	3.8	28.3
Houston	367,205	2,623,867	2,991,072	82.5	1.9	2.0	13.6
Berkeley	238,987	2,791,245	3,030,232	88.4	.1	.0	10.6
Spokane	420,193	1,961,641	2,381,834	71.9	----------	2.4	25.7
Total	9,731,438	37,678,462	47,409,900	70.7	2.0	3.2	23.2

[1] Less than 0.1 percent.

TABLE 54.—*Disposition of principal installments on Land Bank Commissioner mortgage loans during 1937, by districts*

District	Principal installments delinquent on Jan. 1, 1937	Principal installments matured during 1937	Total amount collectible	Disposition			Percent of total delinquent on Dec. 31, 1937
				Percent of total collected	Percent of total extended or reamortized	Percent of total transferred to loans called for foreclosure or charged off	
Springfield	----------	$285,759	$285,759	56.1	----------	0.4	43.5
Baltimore	$160	907,113	907,273	86.4	----------	.7	12.9
Columbia	40	154,864	154,904	61.5	10.7	----------	27.8
Louisville	12,995	2,920,448	2,933,443	88.2	----------	.6	11.2
New Orleans	840	1,672,830	1,673,670	63.8	(1)	.2	36.0
St. Louis	300	1,540,599	1,540,899	81.6	(1)	.4	18.0
St. Paul	947	3,839,885	3,840,832	49.9	5.8	1.8	42.5
Omaha	9,646	4,328,356	4,338,002	53.3	11.1	1.5	34.1
Wichita	255	1,079,275	1,079,530	55.2	.9	1.5	42.4
Houston	115	2,376,925	2,377,040	80.1	1.1	1.0	17.5
Berkeley	8,761	2,327,002	2,335,763	82.0	.1	.4	17.5
Spokane	180	1,689,282	1,689,462	64.7	----------	.8	34.5
Total	34,239	23,122,338	23,156,577	67.8	3.3	1.0	27.9

[1] Less than 0.1 percent.

FEDERAL FARM MORTGAGE CORPORATION

TABLE 55.—*Classification of mortgage loans outstanding, Dec. 31, 1937, by States*

District and State	Number of loans outstanding	Loans classified as not delinquent						Loans classified as delinquent (loans with matured installments unpaid and unextended)	
		With all installments paid in full		With all matured unpaid installments extended					
				With no delinquency in extensions		With delinquency in extensions			
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
District 1:									
Maine	2,413	1,422	58.9					991	41.1
New Hampshire	494	438	88.7					56	11.3
Vermont	1,136	965	84.9					171	15.1
Massachusetts	2,153	1,938	90.0					215	10.0
Rhode Island	305	269	88.2					36	11.8
Connecticut	1,473	1,374	93.3					99	6.7
New York	7,521	6,783	90.2					738	9.8
New Jersey	2,275	2,047	90.0					228	10.0
Total	17,770	15,236	85.7					2,534	14.3
District 2:									
Pennsylvania	5,519	5,024	91.0					495	9.0
Delaware	275	256	93.1					19	6.9
Maryland	2,045	1,832	89.6					213	10.4
Virginia	5,056	4,620	91.4					436	8.6
West Virginia	2,652	2,422	91.3					230	8.7
Puerto Rico	500	498	99.6					2	.4
Total	16,047	14,652	91.3					1,395	8.7
District 3:									
North Carolina	12,777	11,777	92.2	44	0.3	1		955	7.5
South Carolina	9,324	7,495	80.4	439	4.7	1		1,389	14.9
Georgia	14,145	12,246	86.6	205	1.4			1,694	12.0
Florida	5,345	5,003	93.6	96	1.8	2		244	4.6
Total	41,591	36,521	87.8	784	1.9	4		4,282	10.3
District 4:									
Ohio	13,708	12,720	92.8					988	7.2
Indiana	16,074	15,230	94.7					844	5.3
Kentucky	11,225	10,220	91.0					1,005	9.0
Tennessee	10,941	9,765	89.3					1,176	10.7
Total	51,948	47,935	92.3					4,013	7.7
District 5:									
Alabama	10,051	7,348	73.1			2		2,701	26.9
Mississippi	10,752	7,660	71.3			2		3,090	28.7
Louisiana	4,642	3,463	74.6	3	.1			1,176	25.3
Total	25,445	18,471	72.6	3		4		6,967	27.4

FEDERAL FARM MORTGAGE CORPORATION

TABLE 55.—*Classification of mortgage loans outstanding, Dec. 31, 1937, by States*—Continued

District and State	Number of loans outstanding	Loans classified as not delinquent						Loans classified as delinquent (loans with matured installments unpaid and unextended)	
		With all installments paid in full		With all matured unpaid installments extended					
				With no delinquency in extensions		With delinquency in extensions			
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
District 6:									
Illinois	16,717	15,578	93.2					1,139	6.8
Missouri	14,017	11,411	81.4	2				2,604	18.6
Arkansas	6,766	5,641	83.4					1,125	16.6
Total	37,500	32,630	87.0	2				4,868	13.0
District 7:									
Michigan	19,447	16,881	86.8	126	.7	4		2,436	12.5
Wisconsin	24,631	17,023	69.1	551	2.2	42	.2	7,015	28.5
Minnesota	25,108	18,689	74.4	66	.3			6,353	25.3
North Dakota	20,659	3,864	18.7	3,892	18.8			12,903	62.5
Total	89,845	56,457	62.8	4,635	5.1	46	.1	28,707	32.0
District 8:									
Iowa	21,773	18,360	84.3	47	.2	1		3,365	15.5
South Dakota	12,911	5,133	39.8	441	3.4	1		7,336	56.8
Nebraska	16,559	9,450	57.1	487	2.9			6,622	40.0
Wyoming	2,941	1,865	63.4	8	.3			1,068	36.3
Total	54,184	34,808	64.2	983	1.8	2		18,391	34.0
District 9:									
Kansas	21,962	13,877	63.2	187	.8			7,898	36.0
Oklahoma	13,269	9,874	74.4	30	.2			3,365	25.4
Colorado	6,536	4,566	69.9	42	.6			1,928	29.5
New Mexico	1,881	1,566	83.2	3	.2			312	16.6
Total	43,648	29,883	68.5	262	.6			13,503	30.9
District 10: Texas	31,479	26,826	85.2	280	.9			4,373	13.9
District 11:									
Arizona	1,037	916	88.3					121	11.7
Utah	3,587	2,734	76.2					853	23.8
Nevada	283	249	88.0					34	12.0
California	19,867	17,625	88.7					2,242	11.3
Total	24,774	21,524	86.9					3,250	13.1
District 12:									
Montana	5,465	2,564	46.9					2,901	53.1
Idaho	5,016	3,975	79.2					1,041	20.8
Washington	5,479	4,410	80.5					1,069	19.5
Oregon	5,100	4,247	83.3					853	16.7
Total	21,060	15,196	72.2					5,864	27.8
Grand total	455,291	350,139	76.9	6,949	1.5	56		98,147	21.6

FEDERAL FARM MORTGAGE CORPORATION

TABLE 56.—*Interest reduction granted borrowers, for which reimbursement is obtained from the Secretary of the Treasury, during 1937*

District	Amount	District	Amount
Springfield	$119,330	Omaha	$562,635
Baltimore	109,245	Wichita	303,143
Columbia	422,582	Houston	141,017
Louisville	319,049	Berkeley	207,469
New Orleans	230,168	Spokane	165,335
St. Louis	306,657		
St. Paul	710,378	Total	3,597,008

TABLE 57.—*Real estate, sheriffs' certificates, and judgments acquired and disposed of during 1937, by districts*

District	Acquisitions		Disposals				Consideration as a per cent of investment
	Number	Investment [1]	Number: Whole	Number: Part	Investment [1]	Consideration [1]	
Springfield	108	$525,879	88	10	$455,573	$378,526	83.1
Baltimore	145	545,786	67	6	244,682	219,034	89.5
Columbia	404	951,581	445	47	1,128,435	858,313	76.1
Louisville	177	515,611	105	20	302,444	283,728	93.8
New Orleans	213	331,815	190	25	280,475	249,164	88.8
St. Louis	261	825,138	59	6	161,724	134,600	83.2
St. Paul	1,160	4,595,193	355	12	1,762,219	1,280,951	72.7
Omaha	965	4,256,090	144	15	994,965	790,221	79.4
Wichita	552	2,472,448	90	2	302,909	257,234	84.9
Houston	148	549,936	55	3	252,854	245,563	97.1
Berkeley	96	525,906	62	7	376,981	315,563	83.7
Spokane	192	720,808	33	1	139,660	122,507	87.7
Total	4,421	16,816,491	1,693	154	6,402,921	5,135,404	80.2

[1] Includes amount of prior liens.

FEDERAL FARM MORTGAGE CORPORATION

TABLE 58.—*Real estate, sheriffs' certificates and judgments held, Dec. 31, 1937, by districts*

District	Held not subject to prior liens				Held subject to prior liens						Total			
	Farms owned outright		Sheriffs' certificates and judgments		Farms			Sheriffs' certificates and judgments			Farms		Sheriffs' certificates and judgments	
	Number	Investment	Number	Investment	Number	Investment [1]	Amount of prior liens	Number	Investment [1]	Amount of prior liens	Investment [1]	Carrying value [1]	Investment [1]	Carrying value [1]
Springfield	39	$125, 501			52	$343, 238	$143, 336				$468, 739	$238, 295		
Baltimore	65	189, 690			52	331, 495	157, 964				521, 185	303, 149		
Columbia	135	209, 319			66	306, 776	134, 206				516, 095	295, 546		
Louisville	69	144, 074			37	199, 342	95, 118	1	$6, 352	$4, 621	343, 416	216, 350	$6, 352	$4, 622
New Orleans	124	127, 912	37	$41, 804	79	247, 437	101, 381	22	84, 554	41, 807	375, 349	202, 934	126, 358	77, 516
St. Louis	143	315, 663	50	139, 403	47	225, 328	117, 835	47	402, 212	220, 422	540, 991	389, 242	541, 615	347, 778
St. Paul	295	721, 667	595	1, 447, 441	185	1, 248, 227	623, 878	410	2, 693, 314	1, 381, 272	1, 969, 894	1, 122, 072	4, 140, 755	2, 441, 141
Omaha	365	1, 162, 774	303	766, 086	347	2, 583, 471	1, 505, 257	269	1, 821, 004	1, 042, 887	3, 746, 245	2, 493, 613	2, 587, 090	1, 607, 085
Wichita	192	400, 099	181	553, 954	81	430, 315	206, 128	340	2, 369, 592	1, 188, 992	830, 414	497, 835	2, 923, 546	1, 622, 684
Houston	113	283, 226			61	413, 061	228, 823				696, 287	460, 734		
Berkeley	55	190, 569	8	16, 806	25	262, 061	130, 405	3	9, 849	4, 709	452, 630	281, 862	26, 655	16, 350
Spokane	47	114, 526	100	265, 163	22	148, 451	72, 758	45	304, 538	138, 657	262, 977	151, 248	569, 701	338, 047
Total	1, 642	3, 985, 020	1, 274	3, 230, 657	1, 054	6, 739, 202	3, 517, 089	1, 137	7, 691, 445	4, 023, 268	10, 724, 222	6, 562, 830	10, 922, 102	6, 456, 123

[1] Includes amount of prior liens.

FEDERAL FARM MORTGAGE CORPORATION

TABLE 59.—*Real estate, sheriffs' certificates, and judgments held Dec. 31, 1937, by States*

District and State	Farms owned outright [1]	Sheriffs' certificates and judgments	Total
District 1:			
Maine	17		17
New Hampshire	6		6
Vermont	3		3
Massachusetts	27		27
Rhode Island			
Connecticut	2		2
New York	31		31
New Jersey	5		5
Total	91		91
District 2:			
Pennsylvania	56		56
Delaware	5		5
Maryland	15		15
Virginia	28		28
West Virginia	13		13
Puerto Rico			
Total	117		117
District 3:			
North Carolina	20		20
South Carolina	76		76
Georgia	72		72
Florida	33		33
Total	201		201
District 4:			
Ohio	17		17
Indiana	14		14
Kentucky	57	1	58
Tennessee	18		18
Total	106	1	107
District 5:			
Alabama	3	59	62
Mississippi	183		183
Louisiana	17		17
Total	203	59	262
District 6:			
Illinois	14	69	83
Missouri	115		115
Arkansas	61	28	89
Total	190	97	287
District 7:			
Michigan	65	164	229
Wisconsin	84	4	88
Minnesota	195	456	651
North Dakota	136	381	517
Total	480	1,005	1,485
District 8:			
Iowa	89	36	125
South Dakota	453	513	966
Nebraska	155		155
Wyoming	15	23	38
Total	712	572	1,284
District 9:			
Kansas	81	470	551
Oklahoma	44		44
Colorado	143	50	193
New Mexico	5	1	6
Total	273	521	794
District 10: Texas	174		174
District 11:			
Arizona			
Utah	28	11	39
Nevada			
California	52		52
Total	80	11	91
District 12:			
Montana	35	76	111
Idaho	17	21	38
Washington	12	29	41
Oregon	5	19	24
Total	69	145	214
Grand total	2,696	2,411	5,107

[1] Includes farms held subject to prior liens.

FEDERAL FARM MORTGAGE CORPORATION

TABLE 60.—*Statement of condition, Dec. 31, 1937*

ASSETS

Mortgage loans:			
First mortgage loans	$302,220,301.33		
Less matured principal unpaid	2,455,033.66		
		$299,765,267.67	
Second mortgage loans	510,528,982.78		
Less matured principal unpaid	4,011,479.14		
		506,517,503.64	
			$806,282,771.31
Extensions:			
Unmatured portion	1,601,392.87		
Matured unpaid portion	35,430.77		
		1,636,823.64	
Less:			
Partial payments, extensions	6,152.27		
Reserve	1,630,671.37		
		1,636,823.64	
Delinquent installments:			
Principal portion	6,466,512.80		
Interest portion	10,998,333.44		
		17,464,846.24	
Less:			
Partial payments, delinquent installments	1,711,808.49		
Reserve	9,286,524.95		
		10,998,333.44	6,466,512.80
Accounts receivable			1,233,011.22
Purchase money mortgages and contracts:			
Purchase money first mortgages		528,516.99	
Purchase money second mortgages		181,771.66	
Real estate sales contracts		1,541,312.79	
			2,251,601.44
Cash deposited with the Treasurer of the United States			12,358,520.90
Deposits with the Treasurer of the United States for matured bond interest			19,196,840.46
Due from the Secretary of the Treasury—interest reduction			2,258,919.57
Consolidated Federal farm loan bonds (par)			761,129,840.00
Notes receivable—Federal land banks			41,000,000.00
Accrued interest receivable (not yet due):			
Mortgage loans		$12,020,981.00	
Consolidated Federal farm loan bonds		6,828,820.16	
Notes receivable—Federal land banks		256,916.66	
			19,106,717.82
Real estate owned:			
Not subject to prior liens		3,985,020.42	
Subject to prior liens	$6,739,201.46		
Less unmatured prior liens not assumed	3,517,088.55		
		3,222,112.91	
Total		7,207,133.33	
Less reserve		4,161,341.66	
			3,045,791.67
Sheriffs' certificates, etc.:			
Not subject to prior liens		3,230,656.96	
Subject to prior liens	$7,691,444.72		
Less unmatured prior liens not assumed	4,023,268.35		
		3,668,176.37	
Total		6,898,833.33	
Less reserve		4,465,978.97	
			2,432,854.36
Loans called for foreclosure, judgments, etc		10,415,288.25	
Less reserve		6,498,811.42	
			3,916,476.83
Chattels owned (investment)		6,394.14	
Less reserve		6,394.14	
Furniture, fixtures, and equipment (central office)			1.00
Unamortized discount on bonds sold			723,717.92
Other assets			36,827.99
Total assets			1,681,440,405.29

FEDERAL FARM MORTGAGE CORPORATION

TABLE 60.—*Statement of condition, Dec. 31, 1937*—Continued

LIABILITIES

Federal Farm Mortgage Corporation bonds		
Outstanding	$1,414,865,900.00	
Less on hand		
		$1,414,865,900.00
Matured interest on Federal Farm Mortgage Corporation bonds		19,196,840.46
Accrued interest on Federal Farm Mortgage Corporation bonds (not yet due)		8,992,778.64
Deferred proceeds of loans		655,789.16
Accounts payable		849,481.74
Matured items on prior liens not assumed		499,885.81
Trust accounts		1,655,399.12
Other liabilities		260,458.39
Unamortized premium on bonds sold		1,251,395.68
Reserve for title losses		254,921.99
Capital stock		200,000,000.00
Reserve for losses on mortgage loans		32,957,574.30
Total liabilities		1,681,440,405.29

FEDERAL FARM MORTGAGE CORPORATION

TABLE 61.—*Profit and loss statement for the years ended Dec. 31, 1937, and Dec. 31, 1936*

	Jan. 1–Dec. 31, 1937		Jan. 1–Dec. 31, 1936	
EARNINGS				
Interest:				
Mortgage loans	$41,380,648.70		$41,165,141.78	
Consolidated farm loan bonds	29,467,206.95		29,355,466.77	
Notes receivable and Federal intermediate credit bank debentures	511,659.71		18,881.25	
Purchase money mortgages, contracts and other	89,791.83		5,497.30	
		$71,449,307.19		$70,544,987.10
Other income:				
Loan fees	623,171.97		959,473.68	
Miscellaneous	915.48		6,176.39	
		624,087.45		965,650.07
Gross earnings		72,073,394.64		71,510,637.17
DEDUCTIONS FROM EARNINGS				
Interest on bonds	40,809,721.28		40,564,849.88	
Other interest expense	5,333.40			
Operating expense	8,197,582.49		9,162,559.17	
Total deductions from gross earnings		49,012,637.17		49,727,409.05
Net operating earnings		23,060,757.47		21,783,228.12
OTHER EARNINGS				
Premium and discount on securities (amortized), and profit on securities transactions		263,221.68		348,408.23
OTHER DEDUCTIONS				
Mortgage loan and real estate transactions:				
Net loss on real estate and chattels	1,289,690.40		238,915.18	
Mortgage loans charged off	1,772,115.30		521,921.18	
Interest on mortgage loans charged off	208,398.66		42,909.29	
Accounts and notes receivable charged off	6,295.41		4,000.45	
Total	3,276,499.77		807,746.10	
Premium and discount on securities (amortized)	279,190.77		353,121.35	
		3,555,690.54		1,160,867.45
Net profit before adjustment of valuation reserves		19,768,288.61		20,970,768.90
Adjustment of valuation reserves:				
Reserve for extensions	1,630,671.37			
Reserve for delinquent installments	116,903.85		3,211,677.91	
Reserve for real estate	2,646,934.63		1,199,554.59	
Reserve for sheriffs' certificates, etc.	2,292,626.61		2,030,275.48	
Reserve for loans called for foreclosure, judgments, etc.	3,181,011.13		3,317,800.29	
Reserve for chattels owned	2,316.89		4,076.25	
		9,870,464.48		9,763,384.52
Net profit after adjustment of valuation reserves transferred to reserve for losses on mortgage loans [1]		9,897,824.13		11,207,384.38

[1] The Board of Directors of the Federal Farm Mortgage Corporation has determined that the entire net earnings of the Corporation after adjustment of valuation reserves shall be appropriated to a "Reserve for losses on mortgage loans" until the balance in the reserve account equals 10 percent of the unpaid balance of second mortgage loans and 2½ percent of the unpaid balance of first mortgage loans. During the period from the date of organization through Dec. 31, 1937, net earnings of the Corporation amounted to $32,957,574.30, all of which has been transferred to the reserve. On the basis of loans outstanding as of Dec. 31, 1937, the total reserve to be created, as earnings permit, would amount to approximately $58,608,400.

EMERGENCY CROP AND FEED LOANS

TABLE 62.—*Loans made, 1921–35, 1936, and 1937, and balances outstanding, Dec. 31, 1937, by States*

District and State	Loans made						Balance outstanding Dec. 31, 1937					
	1921–35		1936		1937		Amount			Percent of loans made		
	Number	Amount	Number	Amount	Number	Amount	1921–35 loans	1936 loans	1937 loans	1921–35 loans	1936 loans	1937 loans
District 1:												
Maine	5,855	$1,526,925	694	$119,370	919	$246,210	$334,151	$10,749	$178,920	21.9	9.0	72.7
New Hampshire	498	55,100	88	6,885	129	14,765	12,017	868	6,265	21.9	12.6	42.4
Vermont	718	61,953	110	10,285	234	27,700	16,240	1,716	12,226	26.2	16.7	44.2
Massachusetts	499	86,333	69	10,825	103	20,300	21,201	926	9,314	24.6	8.6	45.9
Rhode Island	1	160					160			100.0		
Connecticut	331	65,660	54	8,610	56	12,590	8,156	841	6,640	12.4	9.8	52.7
New York	3,513	520,385	420	54,095	752	124,000	90,946	5,552	40,178	17.5	10.3	32.4
New Jersey	1,051	188,168	144	21,135	147	32,540	24,977	3,094	10,127	13.3	14.6	31.1
Total	12,466	2,504,684	1,579	231,205	2,340	478,105	507,878	23,746	263,680	20.3	10.3	55.2
District 2:												
Pennsylvania	7,688	907,734	834	84,835	1,704	237,945	306,738	23,898	148,809	33.8	28.2	62.5
Delaware	727	101,357	148	13,845	139	15,570	43,084	2,353	8,314	42.5	17.0	53.6
Maryland	4,090	520,677	746	66,885	889	116,890	206,881	15,124	66,725	39.7	22.6	57.1
Virginia	73,630	6,603,258	7,785	525,505	8,420	712,910	1,597,655	41,034	247,235	24.2	7.8	34.7
West Virginia	10,530	827,626	350	17,680	883	55,090	378,034	4,172	29,647	45.7	23.6	53.8
Puerto Rico	2,008	453,343	3,207	487,735	2,992	673,715	7,289	38,561	656,221	1.6	7.9	97.4
Total	98,682	9,413,995	13,070	1,196,485	15,027	1,812,120	2,539,681	125,142	1,156,981	27.0	10.5	63.8
District 3:												
North Carolina	180,794	17,404,036	18,125	1,268,795	16,728	1,449,626	1,179,460	88,288	241,499	6.8	7.0	16.7
South Carolina	185,439	19,573,610	18,563	1,633,845	17,812	1,905,700	1,606,783	116,359	301,813	8.2	7.1	15.8
Georgia	221,856	22,209,604	18,871	1,554,330	18,086	1,919,475	1,853,763	89,137	325,125	8.3	5.7	16.9
Florida	23,632	2,625,085	1,371	147,325	1,498	187,790	1,111,705	48,074	158,017	42.3	32.6	84.1
Total	611,721	61,812,335	56,930	4,604,295	54,124	5,462,591	5,751,711	341,858	1,026,454	9.3	7.4	18.8

District 4:												
Ohio	14, 174	1, 506, 758	650	46, 505	1, 008	80, 910	331, 805	4, 384	48, 543	22. 0	9. 4	60. 0
Indiana	14, 800	1, 644, 259	225	14, 405	605	53, 545	395, 426	1, 186	22, 410	24. 0	8. 2	41. 9
Kentucky	71, 316	4, 593, 744	3, 392	148, 225	4, 437	223, 235	1, 174. 204	21, 144	163, 238	25. 6	14. 3	73. 1
Tennessee	92, 071	6, 827, 728	7, 618	349, 545	7, 596	449, 880	877, 902	22, 842	135, 873	12. 9	6. 5	30. 2
Total	192, 361	14, 572, 489	11, 805	558, 680	13, 676	807, 570	2, 779, 397	49, 556	370, 064	10. 1	8. 9	45. 8
District 5:												
Alabama	116, 294	10, 330, 207	3, 580	166, 955	4, 472	311, 615	1, 560, 886	3, 621	29, 507	15. 1	2. 2	9. 5
Mississippi	174, 825	15, 113, 586	11, 820	527, 265	10, 405	576, 200	1, 383, 171	14, 325	44, 454	9. 2	2. 7	7. 7
Louisiana	130, 199	10, 790, 677	11, 653	628, 655	11, 465	758, 340	836, 714	33, 512	73, 177	7. 8	5. 3	9. 6
Total	421, 318	36, 234, 470	27, 053	1, 322, 875	26, 342	1, 646, 155	3, 780, 771	51, 458	147, 138	10. 4	3. 9	8. 9
District 6:												
Illinois	9, 222	1, 006, 209	1, 039	92, 905	1, 250	133, 080	206, 811	13, 836	53, 823	20. 6	14. 9	40. 4
Missouri	48, 779	5, 012, 892	2, 730	237, 995	5, 371	441, 835	1, 364, 824	58, 120	236, 262	27. 2	24. 4	53. 5
Arkansas	243, 401	20, 759, 929	13, 786	831, 936	13, 704	1, 082, 105	2, 566, 960	82, 457	169, 707	12. 4	9. 9	15. 7
Total	301, 402	26, 779, 030	17, 555	1, 162, 835	20, 385	1, 657, 020	4, 138, 601	154, 413	459, 792	15. 5	13. 3	27. 7
District 7:												
Michigan	24, 390	2, 105, 162	1, 341	96, 440	1, 206	111, 360	588, 777	15. 488	54, 282	28. 0	16. 1	48. 7
Wisconsin	34, 077	2, 348, 470	119	9, 615	854	81, 025	1, 047, 738	1, 215	36, 455	44. 6	12. 6	45. 0
Minnesota	46, 042	5, 289, 221	2, 040	190, 565	5, 035	610, 155	2, 546, 266	61, 979	164, 884	48. 1	32. 5	27. 0
North Dakota	168, 519	32, 471, 012	7, 331	947, 245	26, 857	5, 525, 545	25, 284, 239	852, 313	4, 208, 511	77. 0	90. 0	76. 2
Total	273, 028	42, 213, 885	10, 831	1, 243, 865	33, 952	6, 328, 085	29. 467, 020	930, 995	4, 464, 132	69. 8	74. 8	70. 5
District 8:												
Iowa	5, 195	710, 578	166	12, 300	2, 458	333, 755	136, 212	4, 454	64, 623	19. 2	36. 2	19. 4
South Dakota	101, 639	20, 858, 870	1, 139	140, 160	12, 911	2, 626, 365	13, 654, 623	130, 327	2, 134, 641	65. 5	93. 0	81 3
Nebraska	30, 351	4, 856, 148	1, 053	133, 370	7, 716	1, 130, 575	2, 085, 196	76, 978	748, 317	42. 9	57. 7	65. 8
Wyoming	9, 268	1, 545, 438	426	58, 505	1, 001	181, 925	680, 375	30, 409	91, 356	44. 0	52. 0	60. 2
Total	146, 453	27, 971, 034	2, 784	344, 335	24, 086	4, 278, 620	16, 556, 406	242, 168	3, 038, 937	59. 2	70. 3	71. 0

EMERGENCY CROP AND FEED LOANS

TABLE 62.—*Loans made, 1921–35, 1936, and 1937, and balances outstanding, Dec. 31, 1937, by States*—Continued

District and State	Loans made						Balance outstanding Dec. 31, 1937					
	1921–35		1936		1937		Amount			Percent of loans made		
	Number	Amount	Number	Amount	Number	Amount	1921–35 loans	1936 loans	1937 loans	1921–35 loans	1936 loans	1937 loans
District 9:												
Kansas	49, 701	$8, 852, 982	8, 878	$1, 359, 755	10, 008	$1, 637, 285	$5, 381, 921	$617, 944	$1, 510, 357	60 8	45. 4	92. 2
Oklahoma	60, 126	5, 200, 446	4, 320	522, 780	5, 325	601, 385	1, 787, 829	236, 768	401, 101	33. 8	50. 5	66. 7
Colorado	28, 448	4, 360, 344	1, 864	239, 595	2, 432	396, 205	2, 255, 417	131, 842	305, 549	51. 7	55. 0	77 1
New Mexico	26, 210	3, 632, 110	1, 179	182, 450	2, 336	351, 275	1, 695, 169	66, 125	249, 444	46. 7	36. 2	71. 0
Total	164, 485	22, 136, 182	16, 241	2, 304, 580	20, 101	2, 986, 150	11, 120, 336	1, 052, 679	2, 466, 451	50. 2	45. 7	82. 6
District 10: Texas	224, 967	22, 609, 033	25, 182	2, 897, 120	28, 269	4, 041, 810	5, 633, 996	601, 086	1, 868, 324	24. 9	20. 7	46. 2
District 11:												
Arizona	2, 252	406, 975	125	17, 040	223	42, 430	87, 496	2, 596	26, 658	21. 5	15. 2	62. 8
Utah	10, 612	1, 110, 294	484	48, 380	976	116, 475	189, 910	9, 782	65, 504	17. 1	20. 2	56. 2
Nevada	423	64, 261	7	600	15	2, 380	6, 648		945	10. 3		39. 7
California	2, 510	447, 456	598	88, 985	1, 245	278, 445	50, 709	8, 994	119, 243	11. 3	10. 1	42. 8
Hawaii	70	14, 127	35	5, 870	65	19, 230	1, 242	834	13, 729	8. 8	11. 2	71. 4
Total	15, 897	2, 043, 113	1, 219	160, 875	2, 524	458, 960	336, 005	22, 206	226, 079	16. 4	13 8	49. 3
District 12:												
Montana	76, 565	14, 064, 157	2, 858	361, 120	9, 739	2, 072, 155	9, 436, 245	316, 059	1, 730, 930	67. 1	87. 5	83. 5
Idaho	14, 943	2, 291, 280	781	105, 235	833	144, 815	272, 173	14, 951	61, 389	11 9	14. 2	42. 4
Washington	9, 959	2, 328, 579	594	91, 085	916	238, 335	603, 837	6, 774	100, 205	25. 9	7. 4	42 0
Oregon	6, 729	906, 204	342	41, 600	581	93, 520	230, 309	4, 830	43, 326	25. 4	10. 8	46. 3
Total	108, 196	19, 590 220	4, 575	602, 040	12, 069	2, 548, 825	10, 542, 564	342, 614	1, 935, 850	53. 8	56. 9	76. 0
Total, all districts	2, 570, 976	287, 880, 470	188, 914	16, 629, 190	252, 895	32, 506, 011	93, 154, 366	3, 937, 921	17, 423, 882	32. 4	23. 7	53. 6
Agricultural credits and adjustments	961	1, 360, 182					500, 965					
Grand total	2, 571, 937	289, 240, 652	188, 914	16, 629, 190	252, 895	32, 506, 011	93, 655, 331	3, 937, 921	17, 423, 882	32. 4	23. 7	53. 6

DROUGHT RELIEF LOANS

TABLE 63.—*Loans made during 1934 and 1935 and balances outstanding, Dec. 31, 1937, by States*

District and State	Loans made 1934-35		Balance outstanding Dec. 31, 1937	
	Number	Amount	Amount	As percent of loans made
District 1: New York	399	$48,823	$8,325	17.1
District 2:				
Pennsylvania			[1] 78	60.2
West Virginia			[1] 210	71.2
Total			288	67.8
District 3: Florida	964	397,701	200,103	50.3
District 4: Indiana			[1] 52	100.0
District 5:				
Alabama			[1] 75	100.0
Louisiana	7,363	452,553	375,323	82.9
Total	7,363	452,553	375,398	82.9
District 6:				
Illinois	1,450	125,359	32,035	25.5
Missouri	20,610	2,031,368	1,110,766	54.7
Arkansas	13,408	683,402	444,260	65.0
Total	35,468	2,840,129	1,587,061	65.9
District 7:				
Michigan			[1] 1,140	68.1
Wisconsin	5,777	1,024,851	847,791	82.7
Minnesota	27,133	6,683,957	5,993,428	89.7
North Dakota	44,404	12,119,681	11,665,354	96.2
Total	77,314	19,828,489	18,507,713	93.8
District 8:				
Iowa	7,154	1,012,389	532,484	52.6
South Dakota	43,989	16,263,348	11,576,153	89.6
Nebraska	21,916	7,257,093	5,566,706	76.7
Wyoming	3,305	2,830,567	1,888,822	66.7
Total	79,364	27,363,397	22,564,165	82.5
District 9:				
Kansas	16,412	3,382,690	2,503,688	74.0
Oklahoma	12,518	1,150,297	644,742	56.1
Colorado	7,408	2,333,062	1,640,139	70.3
New Mexico	5,482	1,813,062	1,060,527	58.5
Total	41,820	8,679,111	5,849,096	67.4
District 10: Texas	42,834	6,970,224	4,249,365	61.0
District 11:				
Arizona	278	60,398	28,216	46.7
Utah	4,007	1,752,497	1,352,514	77.2
Nevada	102	119,618	57,607	48.2
California	1,251	241,049	75,437	31.3
Total	5,638	2,173,562	1,513,774	69.6

[1] Transferred from drought areas.

DROUGHT RELIEF LOANS

TABLE 63.—*Loans made during 1934 and 1935 and balances outstanding, Dec. 31, 1937, by States*—Continued

District and State	Loans made 1934-35		Balance outstanding Dec. 31, 1937	
	Number	Amount	Amount	As percent of loans made
District 12:				
Montana	6,396	$1,672,064	$1,311,010	78.4
Idaho	1,678	1,051,717	697,344	66.3
Washington	1,175	387,954	145,651	37.5
Oregon	201	142,816	103,975	72.8
Total	9,450	3,254,551	2,257,980	69.4
Grand total	300,614	72,008,540	57,113,320	79.3

EMERGENCY CROP AND FEED LOAN OFFICES

TABLE 64.—*Statement of condition of 1921–31 farmers' seed loans, Dec. 31, 1937*

ASSETS

Loans:			
Made 1921-31 for seed and feed	$70,835,685		
Less repayments	51,536,049		
		$19,299,636	
For purchase of capital stock of agricultural credit corporations	1,513,024		
Less repayments	1,031,437		
		481,587	
		19,781,223	
Less reserve		18,000,000	
			$1,781,223
Cash:			
In appropriations with the Treasurer of the United States		624,941	
On deposit with the Treasurer of the United States		4,015	
			628,956
Total assets			2,410,179

LIABILITIES

Capital:			
Transferred from Department of Agriculture, May 27, 1933:			
Loans outstanding		$43,176,028	
Unexpended balances in appropriations		16,606,581	
		59,782,609	
Less:			
Transferred to Farm Credit Administration revolving fund	$35,000,000		
Reserve for estimated losses on loans	18,000,000		
Transferred to Treasury surplus	3,323,188		
Transferred to Federal Credit Union	50,000		
Transferred to the Department of Agriculture master appropriation account	1,497		
Cotton collateral adjustments	583,001		
Loss on compromise settlements	9,623		
Administrative expenses	405,121		
		57,372,430	
			2,410,179
Total liabilities			2,410,179

EMERGENCY CROP AND FEED LOAN OFFICES

TABLE 65.—*Statement of condition of 1932 and 1933 emergency crop and feed loans, Dec. 31, 1937*

ASSETS

Loans:			
Made in 1932	$64, 204, 503		
Less repayments	41, 437, 906		
		$22, 766, 597	
Made in 1933	57, 375, 940		
Less repayments	47, 460, 523		
		9, 915, 417	
		32, 682, 014	
Less reserve		28, 000, 000	
			$4, 682, 014
Cash:			
In appropriation with the Treasurer of the United States		30, 015, 373	
On deposit with the Treasurer of the United States		363, 617	
			30, 378, 990
Total assets			35, 061, 004

LIABILITIES

Accounts payable			$13, 000
Unapplied receipts			107, 004
Capital:			
Funds allocated from Reconstruction Finance Corporation		$200, 000, 000	
Interest revenue:			
1932 loans	$3, 375, 354		
1933 loans	2, 020, 272		
		5, 395, 626	
		205, 395, 626	
Less:			
Transferred to Farm Credit Administration revolving fund	45, 000, 000		
Transferred to Federal intermediate credit bank revolving fund	40, 000, 000		
Allotted for capital stock of regional agricultural credit corporations	44, 500, 000		
Reserve for estimated losses on loans	28, 000, 000		
Cotton collateral adjustments	450, 594		
Administrative expenses	12, 504, 032		
		170, 454, 626	
			34, 941, 000
Total liabilities			35, 061, 004

EMERGENCY CROP AND FEED LOAN OFFICES

TABLE 66.—*Statement of condition of 1934 emergency crop and feed loans, Dec. 31, 1937*

ASSETS

Loans:			
Made in 1934		$37,891,586	
Less repayments		23,477,127	
		14,414,459	
Less reserve		12,000,000	
			$2,414,459
Cash:			
In appropriation with the Treasurer of the United States		347,701	
On deposit with the Treasurer of the United States		149,843	
			497,544
Total assets			2,912,003

LIABILITIES

Accounts payable			$1,982
Unapplied receipts			145,819
Capital:			
Funds appropriated under act of Feb. 23, 1934		$40,000,000	
Interest revenue		1,351,940	
		41,351,940	
Less:			
Funds transferred to Treasury surplus	$20,734,757		
Reserve for estimated losses on loans	12,000,000		
Transferred to Farm Credit Administration for administrative expenses	2,375,000		
Administrative expenses	3,477,981		
		38,587,738	
			2,764,202
Total liabilities			2,912,003

TABLE 67.—*Statement of condition of 1935 emergency crop and feed loans, Dec. 31, 1937*

ASSETS

Loans:			
Made in 1935		$57,419,915	
Less repayments		30,642,280	
		26,777,635	
Less reserve		20,000,000	
			$6,777,635
Cash:			
In appropriation with the Treasurer of the United States		2,268,204	
On deposit with the Treasurer of the United States		476,881	
			2,745,085
Total assets			9,522,720

LIABILITIES

Accounts payable			$4,123
Unapplied receipts			458,249
Capital:			
Funds appropriated under act of Feb. 20, 1935		$60,000,000	
Interest revenue		1,605,239	
		61,605,239	
Less:			
Funds transferred to Treasury surplus	$25,358,189		
Reserve for estimated losses on loans	20,000,000		
Transferred to Farm Credit Administration for administrative expenses	4,400,000		
Administrative expenses	2,786,702		
		52,544,891	
			9,060,348
Total liabilities			9,522,720

EMERGENCY CROP AND FEED LOAN OFFICES

TABLE 68.—*Statement of condition of 1936 emergency crop and feed loans, Dec. 31, 1937*

ASSETS

Loans:			
Made in 1936		$16,629,190	
Less repayments		12,691,269	
		3,937,921	
Less reserve		2,000,000	
			$1,937,921
Cash: In appropriation with the Treasurer of the United States			49
Total assets			1,937,970

LIABILITIES

Accounts payable			$1,103
Capital:			
Funds allotted under Executive order of Feb. 28, 1936		$37,000,000	
Interest revenue		520,041	
		37,520,041	
Less:			
Portion of allotment rescinded	$20,115,526		
Reserve for estimated losses on loans	2,000,000		
Collections transferred to miscellaneous receipts	12,682,627		
Administrative expenses	785,021		
		35,583,174	
			1,936,867
Total liabilities			1,937,970

TABLE 69.—*Statement of condition of 1937 emergency crop and feed loans, Dec. 31, 1937*

ASSETS

Loans:		
Made in 1937	$32,506,011	
Less repayments	15,082,129	
		$17,423,882
Cash:		
In appropriation with the Treasurer of the United States	28,349,462	
On deposit with the Treasurer of the United States	3,754,307	
		32,103,769
Total assets		49,527,651

LIABILITIES

Accounts payable		$8,446
Capital:		
Funds appropriated under act of Jan. 29, 1937	$50,000,000	
Interest revenue	671,661	
	50,671,661	
Less:		
Administrative expenses	1,152,456	
		49,519,205
Total liabilities		49,527,651

EMERGENCY CROP AND FEED LOAN OFFICES

TABLE 70.—*Statement of condition of 1934–35 drought relief loans, Dec. 31, 1937*

ASSETS			
Loans:			
Made in 1934–35		$72,008,540	
Less repayments		14,895,220	
		57,113,320	
Less reserve		20,000,000	
			$37,113,320
Cash:			
In appropriation with the Treasurer of the United States		1,412,125	
On deposit with the Treasurer of the United States		165,302	
			1,577,427
Total assets			38,690,747
LIABILITIES			
Accounts payable			$1,420
Unapplied receipts			107,160
Capital:			
Funds appropriated under act of June 19, 1934		$96,785,000	
Interest revenue (not transferred to miscellaneous receipts)		3,435	
		96,788,435	
Less:			
Funds transferred to Treasury surplus	$25,553,585		
Funds transferred to Treasury reserve	10,000,000		
Reserve for estimated losses on loans	20,000,000		
Transferred to Farm Credit Administration for administrative expenses	1,100,000		
Administrative expenses	1,552,683		
		58,206,268	
			38,582,167
Total liabilities			38,690,747

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

TABLE 71.—*Number and amount of loans outstanding, April 30, 1934, percent reduction in amount from May 1, 1934, to Dec. 31, 1937, and number and amount of loans outstanding, Dec. 31, 1937*

District and State	Loans outstanding Apr. 30, 1934		Percent reduction in amount from May 1, 1934, to Dec. 31, 1937	Loans outstanding Dec. 31, 1937	
	Number	Amount		Number	Amount
District 1:					
Maine	182	$43,971	98.7	5	$591
New Hampshire	59	25,177	98.8	2	305
Vermont	194	133,729	99.8	1	316
Massachusetts	250	173,706	95.8	10	7,335
Rhode Island	21	10,314	97.8	2	232
Connecticut	51	52,043	97.5	4	1,297
New York	878	639,073	95.6	24	27,992
New Jersey	295	574,713	69.4	25	176,003
Total	1,930	1,652,726	87.0	73	214,071
District 2:					
Pennsylvania	89	51,150	98.8	4	604
Delaware	14	9,735	100.0		
Maryland	81	89,331	91.5	6	7,631
Virginia	93	184,551	96.8	5	5,891
West Virginia	85	141,826	92.7	3	10,288
Puerto Rico	5	21,146	79.2	2	4,403
Total	367	497,739	94.2	20	28,817
District 3:					
North Carolina	67	47,949	97.5	7	1,186
South Carolina	29	40,060	82.0	3	7,204
Georgia	243	483,816	98.1	6	9,114
Florida	641	569,830	94.5	76	31,467
Total	980	1,141,655	95.7	92	48,971
District 4:					
Ohio	1,050	370,425	99.6	8	1,499
Indiana	908	311,414	99.7	6	918
Kentucky	1,086	367,996	99.6	18	1,313
Tennessee	1,312	460,141	99.7	12	1,208
Total [1]	4,356	1,509,976	99.7	44	4,938
District 5:					
Alabama	559	367,758	98.0	9	7,276
Mississippi	539	253,319	99.1	22	2,365
Louisiana	746	512,731	98.7	10	6,504
Total	1,844	1,133,808	98.6	41	16,144
District 6:					
Illinois	56	48,557	99.9	1	8
Missouri	217	149,274	97.7	2	3,404
Arkansas	480	161,994	95.9	39	6,592
Total [1]	753	359,825	97.2	42	10,004

[1] Totals by States in this district do not agree with figures for the corresponding corporations because some business crossed district lines in accordance with customary marketing areas.

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

TABLE 71.—*Number and amount of loans outstanding, April 30, 1934, percent reduction i amount from May 1, 1934, to Dec. 31, 1937, and number and amount of loans outstandin Dec. 31, 1937*—Continued

District and State	Loans outstanding Apr. 30, 1934		Percent reduction in amount from May 1, 1934, to Dec. 31, 1937	Loans outstanding Dec. 31, 1937	
	Number	Amount		Number	Amount
District 7.					
Michigan	1,216	$567,145	92.5	135	$42,8
Wisconsin	7,721	4,139,641	94.6	493	223,4
Minnesota	17,542	11,451,275	92.8	1,465	824,9
North Dakota	17,688	15,893,636	57.8	9,375	6,703,8
Total [1]	44,167	32,054,697	75.7	11,468	7,795,0
District 8:					
Iowa	3,988	2,572,547	98.4	120	40,4
South Dakota	11,816	9,425,661	89.2	2,168	1,017,3
Nebraska	11,789	11,281,844	95.9	915	467,6
Wyoming	1,891	8,614,593	94.0	85	519,0
Total [1]	29,484	31,894,645	93.6	3,288	2,044,4
District 9:					
Kansas	4,937	4,930,107	95.6	192	214,6
Oklahoma	2,314	2,907,462	96.6	35	99,7
Colorado	4,340	8,414,153	94.4	168	473,8
New Mexico	1,011	5,255,921	86.3	64	719,9
Total [1]	12,602	21,507,643	93.0	459	1,508,1
District 10: Texas [1]	8,290	12,789,052	92.4	288	977,0
District 11:					
Arizona	192	811,906	99.9	1	5
Utah	1,203	3,720,585	91.4	75	318,9
Nevada	336	2,867,257	83.3	22	480,01
California	1,410	3,537,598	99.4	16	21,6
Total [1]	3,141	10,937,346	92.5	114	820,6
District 12:					
Montana	5,929	13,614,676	93.3	503	912,34
Idaho	2,303	8,652,120	87.3	49	1,102,94
Washington	1,540	2,483,724	99.7	27	8,57
Oregon	1,262	4,411,542	97.7	21	99,72
Total [1]	11,094	29,192,062	92.7	600	2,123,57
Grand total	119,008	144,671,174	89.2	16,529	15,591,81

[1] *Totals by States in this district do not agree with figures for the corresponding corporations becaus* some business crossed district lines in accordance with customary marketing areas.

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

TABLE 72.—*Number and amount of loans outstanding Apr. 30, 1934, percent reduction in amount from May 1, 1934, to Dec. 31, 1937, and number and amount of loans outstanding, Dec. 31, 1937*

Corporation and office	Loans outstanding Apr. 30, 1934		Percent reduction in amount from May 1, 1934 to Dec. 31, 1937	Loans outstanding Dec. 31, 1937	
	Number	Amount		Number	Amount
Washington, D. C.[1]	10,232	$6,298,597	94.9	312	$322,945
Minneapolis	44,214	32,120,812	75.6	11,502	7,825,956
Sioux City	14,762	10,741,105	90.5	2,263	1,015,228
Omaha	12,867	13,799,003	96.5	910	482,375
Cheyenne	1,734	6,590,322	93.7	74	412,452
Total, Sioux City Corporation	29,363	31,130,430	93.9	3,247	1,910,055
Denver	11,683	16,694,295	95.2	396	795,815
Santa Fe	992	5,133,514	86.0	64	719,922
Total, Wichita Corporation	12,675	21,827,809	93.1	460	1,515,737
Fort Worth (at Houston)	8,212	12,133,799	92.2	287	959,455
Salt Lake City	3,912	13,654,943	91.6	153	1,148,945
Helena	8,923	16,098,400	95.3	528	918,759
Boise	1,477	11,126,344	91.2	40	979,926
Total, Spokane Corporation	10,400	27,224,744	93.0	568	1,898,685
Grand total	119,008	144,671,174	89.2	16,529	15,591,818

[1] The Regional Agricultural Credit Corporation of Washington, D. C., was created Sept. 30, 1937, and acquired all assets and assumed all liabilities of the Albany, Baltimore, Raleigh, Columbus, Jackson, and St. Louis corporations.

TABLE 73.—*Changes during 1937 in amount of loans outstanding, by corporations*

Corporation	Additional *disbursements* on loans[1]	Repayments by source				Charge-offs	Transfers to *personal* and real *property* and *judgment* accounts	Net reduction *in loans* outstanding
		Loans refinanced with or sold to production credit associations	Loans refinanced by commercial banks	*Direct repayments by borrowers*	Total			
Washington, D. C.[2]	$2,478	$4,433	$1,087	$84,766	$90,286	$15,217	$5,797	$108,822
Minneapolis	692,723	259,574	510,213	2,391,845	3,161,632	154,067	27,401	2,650,377
Sioux City	567,368	47,511	138,124	1,498,704	1,684,339	75,649	21,005	1,213,625
Wichita (at Denver)	837,810	282,908	222,293	2,006,366	2,511,567	108,057	400	1,782,214
Ft. Worth (at Houston)	460,746	131,054	82,324	1,302,877	1,516,255	15,773	10,924	1,082,206
Salt Lake City	*901,269*	*153,782*	*29,266*	*1,492,463*	1,675,511	19,402	9,772	801,416
Spokane (at Helena)	2,280,866	305,121	148,564	3,806,355	4,260,040	74,383	3,725	2,057,282
Total	5,743,260	1,184,383	1,129,871	12,583,376	14,897,630	462,548	79,024	9,695,942

[1] Excludes renewals.

[2] *The Regional Agricultural Credit Corporation of Washington, D. C., was created Sept. 30 1937, and* acquired all assets and assumed all liabilities of the Albany, Baltimore, Raleigh, Columbus, Jackson, and St. Louis *corporations.*

REGIONAL AGRICULTURAL CREDIT CORPORATIONS

TABLE 74.—*Consolidated statement of condition, Dec. 31, 1937, and Apr. 30, 1934*

	Dec. 31, 1937		Apr. 30, 1934	
ASSETS				
Loans	$15,591,817.86		[1] $144,693,005.77	
Less reserve	3,803,578.77	$11,788,239.09		$144,693,005.77
Advances for care and preservation of collateral		1,448.23		
Cash:				
On deposit with Treasurer of the United States:				
Finance account	7,457,804.53		2,393,639.25	
Expense account	82,238.32		207,886.72	
On hand and in transit	163,167.75	7,703,210.60	2,922.12	2,604,448.09
Accounts receivable		5,000.74		
Accrued interest receivable on loans	698,119.15		4,605,324.59	
Less reserve	243,476.14	454,643.01		4,605,324.59
Uncollected interest on loans, principal fully repaid	391.43			
Less reserve	320.64	70.79		
Personal and real property	48,276.11		113,595.42	
Less reserve	6,938.47	41,337.64		113,595.42
Furniture, fixtures, and equipment (net)		6,721.71		198,709.88
Prepaid interest on rediscounts				1,004,103.31
Other assets		90,416.75		535,830.92
Total assets		20,091,088.56		153,815,017.98
LIABILITIES				
Rediscounts outstanding:				
Federal intermediate credit banks			88,386,510.66	
Reconstruction Finance Corporation			14,092,391.93	102,478,902.59
Reserved for payment of operating expense [2]		95,085.99		415,851.49
Unapplied receipts		168,353.96		292,064.94
Other liabilities		2,269.36		59,281.69
Capital stock		7,500,000.00		44,500,000.00
Surplus paid in by Reconstruction Finance Corporation [3]	15,141,570.61		7,129,220.08	
Less impairment	2,816,191.36	12,325,379.25	1,060,302.81	6,068,917.27
Total liabilities		20,091,088.56		153,815,017.98
Loans authorized but not yet disbursed	1,246,411.26		30,095,555.47	

[1] The difference of $21,831.94 between this figure and the amount of loans outstanding Apr. 30, 1934, as shown in tables 71 and 72 represents check issued and outstanding on loans being renewed.

[2] Accountable to the Reconstruction Finance Corporation for advances made to defray operating expense.

[3] This amount has been paid in cash to regional agricultural credit corporations by the Reconstruction Finance Corporation and is equal to the total operating expense of the regional agricultural credit corporations from their organization to the date of this statement. (Payment by the Reconstruction Finance Corporation of the operating expense of regional agricultural credit corporations is required by sec. 201 (e) of the act of July 21, 1932.)

AGRICULTURAL MARKETING ACT REVOLVING FUND

TABLE 75.—*Commitments and loans outstanding, Dec. 31, 1937, by commodities*

Commodities	Commitments outstanding	Loans outstanding				
		Operating capital	Facility	Commodity	Stabilization corporation	Total
Beans			$50, 245			$50, 245
Coffee						
Cotton	$1, 500, 000	$11, 575, 925	4, 500			11, 580, 425
Dairy products	525, 000	2, 357, 328	1, 361, 518			3, 718, 846
Fruits and vegetables:						
Citrus fruits			1, 458, 147			1, 458, 147
Grapes and raisins		2, 440, 691	2, 990, 801			5, 431, 492
Other deciduous fruits		31, 853	257, 702			289, 555
Potatoes		3, 875				3, 875
Other fruits and vegetables		309, 803	32, 789			342, 592
Grain		5, 320, 837			$67, 989, 192	73, 310, 029
Honey						
Livestock		1, 920, 595				1, 920, 595
Nuts			20, 309			20, 309
Poultry and eggs		83, 441				83, 441
Rice		78, 954	166, 094	$912		245, 960
Seeds			12, 540			12, 540
Sugar						
Tobacco						
Wool and mohair		500, 000	2, 726			502, 726
Total	2, 025, 000	24, 623, 302	6, 357, 371	912	67, 989, 192	98, 970, 777

AGRICULTURAL MARKETING ACT REVOLVING FUND

TABLE 76.—*Commitments, advances, cash repayments, and charge-offs and transfers to other asset accounts, by periods from June 15, 1929, to Dec. 31, 1937, and loans and commitments outstanding at end of each period*

Period	Net commitments	Advances on commitments	Cash repayments	Refinanced by banks for cooperatives	Charge-offs and transfers to other asset accounts	Loans outstanding at end of period	Commitments outstanding at end of period
1929 (June 15-Dec. 31)	$60,755,000	$14,823,235	$313,349			$14,509,886	$45,931,765
1930	345,302,257	348,551,947	129,306,173			233,755,660	42,682,075
1931	494,701,254	516,821,426	314,323,467			436,253,619	20,561,903
1932	219,718,816	229,026,034	182,680,109		$16,098,078	466,501,466	11,254,685
1933 (Jan. 1-May 26)	37,464,014	39,683,890	34,735,285		5,207,403	466,242,668	9,034,809
Total	1,157,941,341	1,148,906,532	661,358,383		21,305,481		
1933 (May 27-Dec. 31)	106,712	7,027,141	22,562,073	$10,425,000	106,190,966	334,091,770	2,174,380
1934	10,038,375	9,554,823	15,215,765	1,327,815	180,192,374	146,910,639	2,657,932
1935	6,094,139	7,402,344	12,837,776	6,014,015	19,602,651	115,858,541	1,349,727
1936	27,057,284	20,449,466	14,469,824	28,516	47,804	121,761,863	7,957,545
1937	2,436	5,934,981	14,903,624		13,822,443	98,970,777	2,025,000
Total	43,358,946	50,368,755	79,989,062	17,795,346	319,856,238		
Grand total	1,201,300,287	1,199,275,287	741,347,445	17,795,346	341,161,719		

AGRICULTURAL MARKETING ACT REVOLVING FUND

TABLE 77.—*Statement of condition, Dec. 31, 1937*

ASSETS

Loans:			
Operating capital		$24,623,302	
Facility		6,357,371	
Commodity		912	
Stabilization corporations		67,989,192	
Total		98,970,777	
Less reserve		72,993,969	
			$25,976,808
Capital stock of banks:			
Central Bank for Cooperatives		50,000,000	
District banks for cooperatives		94,500,000	
			144,500,000
Cash on deposit with the Treasurer of the United States			5,234,093
Notes and accounts receivable—cooperative associations			3,530
Purchase money mortgages, contracts:			
Purchase money mortgages		$235,243	
Real estate sales contracts		26,603	
			261,846
Assets acquired in liquidation of loans		8,929,178	
Less reserve		4,421,605	
			4,507,573
Assets acquired under transactions authorized by the Agricultural Adjustment Act		71,314	
Less reserve		17,597	
			53,717
Notes and accounts reported to the Comptroller General of the United States for collection			[1] 2,327,197
Total assets			182,864,764

LIABILITIES

Unapplied cash receipts		$142,072	
Liability for miscellaneous trust funds		1,960	
Balance of allotment under sec. 220, National Industrial Recovery Act		510,874	
Reserve for notes and accounts reported to the Comptroller General of the United States for collection		2,327,197	
			2,982,103
Capital:			
Appropriated by Congress	$500,000,000		
Interest collected	20,081,476		
		520,081,476	
Less:			
Loans cancelled in connection with donations of wheat and cotton to the American National Red Cross, Public Resolutions Nos. 12 and 33 and Public Act No. 329, 72d Congress	$197,385,144		
Determined loss on cotton sold to Secretary of Agriculture in accordance with Sec. 3 of Agricultural Adjustment Act	46,297,096		
Loss on loans	16,987,004		
Adjustment of valuation reserves	79,529,571		
		340,198,815	
			179,882,661
Total liabilities and capital			182,864,764

[1] Includes $230,797 which is also included in investment in real property and other assets acquired in liquidation of loans. With this exception, the account "Adjustment of Valuation Reserves" equals the total of all reserve accounts.

Note:

Loan commitments outstanding	$2,025,000
Subscription to capital stock of banks for cooperatives	3,500,000

JOINT STOCK LAND BANKS

TABLE 78.—*Reduction in gross assets, and of bonds and notes payable during 1937, b*

Name and location of bank	Gross assets: Dec. 31, 1936	Gross assets: Dec. 31, 1937	Gross assets: Percent reduction, 1937	Bonds and notes pay: Dec. 31, 1936	Bonds and notes pay: Dec. 31, 1937	t
Atlanta, Atlanta, Ga	$3,949,471	$2,722,569	31.1	$3,161,726	$2,007,278	
Atlantic, Raleigh, N. C	5,488,513	3,754,686	31.6	3,083,500	2,324,000	
California, San Francisco, Calif	3,381,032	1,062,114	68.6	864,000	657,000	
Dallas, Dallas, Tex	21,898,011	18,085,339	17.4	16,894,000	12,422,104	
Denver, Denver, Colo	7,942,120	6,536,731	17.7	5,789,178	4,484,500	
Des Moines, Des Moines, Iowa	3,104,145	2,520,972	18.8	1,266,000	938,847	
First Carolinas, Columbia, S. C	3,865,850	3,248,912	16.0	3,231,000	2,688,000	
First, Fort Wayne, Ind	2,635,911	2,044,318	22.4	1,284,000	585,200	
First, Montgomery, Ala	3,977,628	3,254,804	18.2	3,487,000	2,781,500	
First, New Orleans, La	2,352,633	2,145,945	8.8	1,894,000	1,697,000	
First Texas, Houston, Tex	4,576,352	3,936,087	14.0	3,816,986	3,310,636	
First Trust, Chicago, Ill	37,084,534	31,684,649	14.6	30,355,000	25,458,000	
Fletcher, Indianapolis, Ind	11,787,935	10,915,928	7.4	9,933,400	8,886,700	
Fremont, Lincoln, Nebr	3,386,292	2,979,962	12.0	2,560,694	2,215,234	
Greenbrier, Charleston, W. Va	417,585	279,518	33.1	208,000	76,500	
Greensboro, Raleigh, N. C	2,931,896	1,721,827	41.3	1,983,000	1,004,000	
Illinois, Monticello, Ill	2,226,395	1,245,258	44.1	1,478,000	450,000	
Illinois Midwest, Edwardsville, Ill	2,688,035	2,359,226	12.2	2,270,492	2,001,040	
Indianapolis, Indianapolis, Ind	929,610	910,936	2.0	622,700	604,800	
Iowa, Sioux City, Iowa	3,255,311	2,944,925	9.5	2,682,025	2,162,400	
Kentucky, Lexington, Ky	3,681,933	3,167,239	14.0	1,756,000	900,000	
La Fayette, La Fayette, Ind	4,799,584	4,195,355	12.6	4,267,000	3,636,000	
Lincoln, Lincoln, Nebr	12,074,788	10,670,814	11.6	9,332,000	8,165,200	
Louisville, Louisville, Ky	2,112,453	1,509,198	28.6	1,521,335	913,920	
Maryland-Virginia, Baltimore, Md	386,593	3,280	99.2	34,000	------------	
Minneapolis-Trust, Minneapolis, Minn	1,252,252	1,175,820	6.1	[1] 745,900	[2] 667,216	
New York, Rochester, N. Y	7,172,353	6,483,674	9.6	5,725,000	5,228,000	
North Carolina, Durham, N. C	7,848,266	7,211,394	8.1	6,326,500	5,643,000	
Pacific Coast, Portland, Oreg	4,445,148	3,320,476	25.3	2,948,000	1,928,000	
Pacific Coast, Salt Lake City, Utah	1,190,196	881,041	26.0	83,000	83,000	---
Pacific Coast, San Francisco, Calif	7,391,843	4,223,504	42.9	489,394	242,394	
Pennsylvania, Philadelphia, Pa	3,564,363	2,942,017	17.5	3,061,000	2,474,396	
Phoenix, Kansas City, Mo	16,578,373	16,217,788	2.2	12,071,817	12,070,982	--
Potomac, Washington, D. C	3,116,758	2,221,517	28.7	2,477,500	1,527,500	
San Antonio, San Antonio, Tex	9,819,354	8,830,461	10.1	7,257,000	6,059,403	
Southwest, Little Rock, Ark	2,889,747	2,523,031	12.7	2,446,820	2,093,131	
Union, Detroit, Mich	8,148,930	7,106,772	12.8	6,772,000	5,802,000	
Union, Louisville, Ky	721,071	480,528	33.4	534,171	286,746	
Union Trust, Indianapolis, Ind	541,109	538,827	.4	112,500	106,500	
Virginia-Carolina, Elizabeth City, N. C	3,169,104	2,603,526	17.8	2,409,629	1,852,992	
Virginian, Charleston, W. Va	6,192,306	5,129,598	17.2	4,895,300	3,889,642	
Total	234,975,783	195,790,575	16.7	172,830,576	140,334,761	

[1] Includes $735,900 certificates of participation.

[2] Includes $667,216 certificates of participation.

JOINT STOCK LAND BANKS

TABLE 79.—*Changes in amount of purchase money mortgages, contracts, etc., and of real estate, sheriffs' certificates, and judgments during 1937, by banks*

Name and location of bank	Purchase money mortgages, contracts, etc.			Real estate, sheriffs' certificates, and judgments		
	Dec. 31, 1936	Dec. 31, 1937	Percent change 1937	Dec. 31, 1936	Dec. 31, 1937	Percent change 1937
Atlanta, Atlanta, Ga	$708,336	$676,167	−4.5	$644,915	$514,557	−20.2
Atlantic, Raleigh, N. C	1,144,705	1,010,296	−11.7	195,295	116,551	−40.3
California, San Francisco, Calif	*1,255,562*	*96,359*	*−92.3*	*30,494*	*52,914*	73.5
Dallas, Dallas, Tex	1,943,674	2,532,502	30.3	4,535,545	3,534,952	−22.1
Denver, Denver, Colo	1,093,296	1,301,397	19.0	2,292,265	1,825,077	−20.4
Des Moines, Des Moines, Iowa	185,441	349,623	88.5	2,715,185	2,325,423	−14.4
First Carolinas, Columbia, S. C	1,102,999	1,087,823	−1.4	1,243,449	853,013	−31.4
First, Fort Wayne, Ind	*606,476*	*615,767*	1.5	893,556	597,585	−33.1
First, Montgomery, Ala	666,273	738,076	10.8	856,300	480,595	−43.6
First, New Orleans, La	446,652	487,098	9.1	458,079	354,433	−22.9
First Texas, Houston, Tex	266,012	324,356	21.9	1,531,985	1,449,036	−5.4
First Trust, Chicago, Ill	1,185,605	1,756,297	48.1	15,249,448	14,939,343	−2.0
Fletcher, Indianapolis, Ind	245,305	270,915	10.4	937,825	948,819	1.2
Fremont, Lincoln, Nebr	318,826	306,335	−3.9	2,730,247	2,568,622	−5.9
Greenbrier, Charleston, W. Va	*45,027*	*24,023*	*−46.6*	*19,518*	*17,379*	*−11.1*
Greensboro, Raleigh, N. C	513,982	490,105	−4.6	235,715	185,070	−21.5
Illinois, Monticello, Ill	156,805	135,965	−13.3	733,173	465,223	−36.5
Illinois Midwest, Edwardsville, Ill	88,604	198,227	123.7	1,559,817	1,371,664	−12.1
Indianapolis, Indianapolis, Ind	*21,916*	*19,798*	−9.7	14,703	9,409	−36.0
Iowa, Sioux City, Iowa	202,000	321,271	59.0	1,922,728	1,745,548	−9.2
Kentucky, Lexington, Ky	230,404	260,373	13.0	678,046	372,254	−45.1
La Fayette, La Fayette, Ind	302,020	446,342	47.8	1,211,702	1,110,765	−8.3
Lincoln, Lincoln, Nebr	792,456	1,101,960	39.1	7,845,169	7,228,669	−7.9
Louisville, Louisville, Ky	832,671	750,435	−9.9	431,190	284,831	−33.9
Maryland-Virginia, Baltimore, Md	84,168		−100.0	122,604		−100.0
Minneapolis-Trust, Minneapolis, Minn	70,894	83,917	18.4	1,059,945	1,054,874	−.5
New York, Rochester, N. Y	948,120	1,063,955	12.2	2,522,738	2,268,173	−10.1
North Carolina, Durham, N. C	1,998,164	1,947,329	−2.5	1,790,582	1,315,837	−26.5
Pacific Coast, Portland, Oreg	*225,661*	*426,021*	88.8	*784,267*	*679,882*	*−13.3*
Pacific Coast, Salt Lake City, Utah	453,936	432,957	−4.6	270,842	173,679	−35.9
Pacific Coast, San Francisco, Calif	1,698,378	1,072,781	−36.8	1,662,189	840,722	−49.4
Pennsylvania, Philadelphia, Pa	*367,692*	*308,975*	*−16.0*	*439,134*	306,302	−30.2
Phoenix, Kansas City, Mo	208,181	186,711	−10.3	2,497,842	2,768,562	10.8
Potomac, Washington, D. C	397,712	386,288	−2.9	277,973	150,360	−45.9
San Antonio, San Antonio, Tex	354,891	526,925	48.5	2,797,943	2,620,875	−6.3
Southwest, Little Rock, Ark	246,884	217,550	−11.9	907,609	848,660	−6.5
Union, Detroit, Mich	1,200,552	1,419,605	18.2	1,985,233	1,259,020	−36.6
Union, Louisville, Ky	254,105	191,300	−24.7	43,378	21,700	−50.0
Union Trust, Indianapolis, Ind	8,578	11,845	38.1	*8,843*	5,747	−35.0
Virginia-Carolina, Elizabeth City, N. C	645,825	664,577	2.9	307,570	135,781	−55.9
Virginian, Charleston, W. Va	1,031,849	999,581	−3.1	880,148	612,046	−30.5
Total	24,650,840	25,241,830	2.8	67,325,449	58,413,952	−13.2

JOINT STOCK LAND BANKS

TABLE 80.—*Reduction in mortgage loans during 1937, by banks*

Name and location of bank	Amounts outstanding		Percent of reduction during 1937					
	Dec. 31, 1936	Dec. 31, 1937	Total	Loans refinanced, sold, or paid in full	Amortization and special payments	Charged to profit and loss	Foreclosure or voluntary deed	Other
Atlanta, Atlanta, Ga	$1, 785, 731	$1, 465, 451	17. 9	13. 7	3. 1		1. 1	
Atlantic, Raleigh, N. C	3, 046, 839	2, 512, 337	17. 5	11. 0	3. 7		2. 8	
California, San Francisco, Calif	1, 918, 532		100. 0	91. 0	2 7	0. 2	6. 1	
Dallas, Dallas, Tex	14, 143, 078	11, 821, 398	16. 4	11. 2	3. 3	. 1	1. 8	
Denver, Denver, Colo	4, 982, 070	3, 527, 813	29. 2	14. 9	3. 2	. 6	10. 6	−0. 1
Des Moines, Des Moines, Iowa	588, 942	334, 345	43. 2	9. 4	. 7	. 5	32. 6	
First Carolinas, Columbia, S. C	1, 509, 669	1, 272, 440	15. 7	7. 8	4. 5		3. 5	−. 1
First, Fort Wayne, Ind	1, 101, 509	760, 853	30. 9	26. 5	3. 4		1. 0	
First, Montgomery, Ala	2, 426, 453	2, 109, 072	13. 1	10. 1	3. 1		1. 3	−1. 4
First, New Orleans, La	1, 319, 250	1, 131, 119	14. 3	9. 9	2. 9		5. 9	−4. 4
First Texas, Houston, Tex	2, 476, 178	2, 242, 976	9. 4	5. 3	2. 8		1. 7	−. 4
First Trust, Chicago Ill	20, 392, 398	16, 308, 212	20. 0	9. 4	2. 6		8. 2	−. 2
Fletcher, Indianapolis, Ind	10, 041, 698	9, 077, 079	9. 6	5. 9	2. 8		2. 0	−1. 1
Fremont, Lincoln, Nebr	742, 509	512, 383	31. 0	17. 9	1. 3	. 2	10. 7	. 9
Greenbrier, Charleston, W. Va	342, 392	230, 669	32. 6	27. 0	4. 4	. 1	1. 1	
Greensboro, Raleigh, N. C	1, 663, 761	894, 015	46. 3	37. 9	2. 5	. 2	5. 7	
Illinois, Monticello, Ill	1, 280, 302	614, 590	52. 0	46. 9	4. 1		1. 0	
Illinois Midwest, Edwardsville, Ill	1, 268, 783	1, 020, 758	19. 5	8. 3	3. 6		6. 4	1. 2
Indianapolis, Indianapolis, Ind	532, 706	442, 471	16. 9	10. 6	6. 3			
Iowa, Sioux City, Iowa	1, 023, 639	842, 171	17 7	6. 8	2. 0	1. 4	7. 5	
Kentucky, Lexington, Ky	2, 980, 830	2, 566, 708	13. 9	10. 2	3. 9		. 7	−. 9
La Fayette, La Fayette, Ind	3, 273, 785	2, 683, 263	18. 0	8. 1	3. 4	. 1	6. 4	
Lincoln, Lincoln, Nebr	4, 389, 287	3, 397, 920	22. 6	9. 6	1. 3		11. 8	−. 1
Louisville, Louisville, Ky	862, 959	510, 205	40. 9	35. 8	3. 6		1. 5	
Maryland-Virginia, Baltimore, Md	99, 573		100. 0	97. 4	4. 8	3. 7		−5. 9
Minneapolis-Trust, Minneapolis, Minn	112, 151	57, 868	48. 4	2. 8	1. 3	5. 4	38. 9	
New York, Rochester, N. Y	3, 531, 345	3, 144, 586	10. 9	4. 1	4. 0		2. 8	
North Carolina, Durham, N. C	3, 747, 585	3, 284, 374	12. 4	7. 7	3. 5		1. 1	. 1
Pacific Coast, Portland, Oreg	2, 973, 514	1, 942, 046	34. 7	23. 9	3. 1	. 1	7. 6	
Pacific Coast, Salt Lake City, Utah	239, 311	117, 261	51. 0	24. 4	3. 7	. 7	22. 1	. 1
Pacific Coast, San Francisco, Calif	2, 032, 562	657, 180	67. 7	59. 0	5. 4	. 6	3. 4	−. 7
Pennsylvania, Philadelphia, Pa	2, 324, 988	2, 094, 500	9. 9	6. 7	3. 2	. 1	2. 0	−2. 1
Phoenix, Kansas City, Mo	6, 871, 185	5, 281, 169	23. 0	6. 7	3. 2		13. 1	
Potomac, Washington, D. C	1, 861, 817	1, 514, 900	18. 6	12. 9	4. 0		1. 7	
San Antonio, San Antonio, Tex	6, 639, 523	5, 277, 742	20. 5	14. 9	3. 3		2. 3	
Southwest, Little Rock, Ark	1, 719, 922	1, 463, 928	14. 9	8. 1	2. 6	. 1	4. 0	. 1
Union, Detroit, Mich	4, 924, 006	4, 316, 297	12. 3	6. 5	5. 5		. 6	−. 3
Union, Louisville, Ky	399, 846	253, 482	36. 6	33. 5	2. 5		. 6	
Union Trust, Indianapolis, Ind	353, 817	312, 963	11. 6	6. 4	5. 2			
Virginia-Carolina, Elizabeth City, N. C	1, 918, 348	1, 668, 753	13. 0	9. 0	2. 7	. 1	1. 2	
Virginian, Charleston, W. Va	3, 532, 636	2, 957, 951	16. 2	7. 8	5. 0		3. 4	
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

JOINT STOCK LAND BANKS

TABLE 81.—*Classification of mortgage loans, purchase money mortgages, real estate sales contracts, and notes receivable outstanding Dec. 31, 1937, by banks*

Name and location of bank	Mortgage loans				Purchase money mortgages, sales contracts, and notes receivable		
	Total number outstanding	Percent of total			Total number outstanding	Percent of total	
		Not delinquent	Delinquent	In suspense		Not delinquent	Delinquent
Atlanta, Atlanta, Ga	416	81.0	17.1	1.9	303	75.2	24.8
Atlantic, Raleigh, N. C	1,274	97.2	2.0	.8	772	89.8	10.2
California, San Francisco, Calif					20	45.0	55.0
Dallas, Dallas, Tex	2,529	83.6	9.0	7.4	592	75.2	24.8
Denver, Denver, Colo	717	68.1	13.4	18.5	342	60.5	39.7
Des Moines, Des Moines, Iowa	40	47.5	7.5	45.0	62	82.3	17.1
First Carolinas, Columbia, S. C	416	91.1	5.5	3.4	594	75.9	24.2
First, Fort Wayne, Ind	246	88.6	7.7	3.7	183	97.8	2.5
First, Montgomery, Ala	541	91.7	6.5	1.8	256	87.9	12.5
First, New Orleans, La	116	86.2	10.4	3.4	102	88.2	11.1
First Texas, Houston, Tex	397	58.5	29.7	11.8	71	80.3	19.8
First Trust, Chicago, Ill	2,426	88.4	1.3	10.3	291	94.5	5.7
Fletcher, Indianapolis, Ind	2,341	89.0	5.3	5.7	73	94.5	5.5
Fremont, Lincoln, Nebr	85	68.2	25.9	5.9	58	83.9	16.1
Greenbrier, Charleston, W. Va	152	96.1	3.9		25	52.0	48.0
Greensboro, Raleigh, N. C	456	93.7	3.7	2.6	294	88.1	11.9
Illinois, Monticello, Ill	96	91.7	5.2	3.1	13	100.0	
Illinois Midwest, Edwardsville, Ill	209	96.6	1.0	2.4	50	94.0	6.0
Indianapolis, Indianapolis, Ind	154	96.1	3.9		6	83.3	16.7
Iowa, Sioux City, Iowa	104	69.2	17.3	13.5	39	84.6	15.4
Kentucky, Lexington, Ky	828	92.2	3.7	4.1	101	85.1	14.9
La Fayette, La Fayette, Ind	619	71.9	21.0	7.1	75	66.7	33.3
Lincoln, Lincoln, Nebr	463	71.9	14.9	13.2	190	72.6	27.4
Louisville, Louisville, Ky	197	96.5	3.0	.5	212	92.9	7.1
Maryland-Virginia, Baltimore, Md							
Minneapolis-Trust, Minneapolis, Minn	15	40.0	20.0	40.0	57	28.1	71.9
New York, Rochester, N. Y	989	73.8	21.2	5.0	376	61.2	38.8
North Carolina, Durham, N. C	1,565	97.1	2.1	.8	838	83.7	16.3
Pacific Coast, Portland, Oreg	186	37.1	59.1	3.8	78	74.4	25.6
Pacific Coast, Salt Lake City, Utah	47	36.2	25.5	38.3	112	41.1	58.9
Pacific Coast, San Francisco, Calif	84	20.2	64.3	15.5	179	52.5	47.5
Pennsylvania, Philadelphia, Pa	787	75.5	22.4	2.1	180	62.2	37.8
Phoenix, Kansas City, Mo	1,451	83.4	9.2	7.4	72	95.8	4.2
Potomac, Washington, D. C	530	88.3	10.2	1.5	184	77.2	22.8
San Antonio, San Antonio, Tex	1,039	72.7	7.7	19.6	177	93.8	6.2
Southwest, Little Rock, Ark	331	56.2	24.5	19.3	84	73.8	26.2
Union, Detroit, Mich	1,620	76.4	21.1	2.5	626	73.2	26.8
Union, Louisville, Ky	118	94.9	3.4	1.7	66	89.4	10.6
Union Trust, Indianapolis, Ind	99	83.8	14.2	2.0	3	100.0	
Virginia-Carolina, Elizabeth City, N. C	689	85.2	11.5	3.3	356	71.6	28.4
Virginian, Charleston, W. Va	1,299	85.7	8.7	5.6	488	82.6	17.4
Total	25,671	83.5	10.1	6.4	8,598	78.4	21.6

JOINT STOCK LAND BANKS

TABLE 82.—*Loans outstanding, and real estate, sheriffs' certificates, and judgments held, Dec. 31, 1937, by States* [1]

State	Loans outstanding		Real estate, sheriffs' certificates, and judgments held		
	Number	Unmatured principal	Number	Investment	Carrying value
Alabama	340	$1,322,607	32	$182,869	$125,110
Arizona	19	80,968	12	65,594	52,201
Arkansas	251	1,160,313	52	284,806	231,269
California	61	391,486	70	661,122	544,562
Colorado	413	1,930,227	205	1,296,464	966,643
Connecticut					
Delaware					
Florida					
Georgia	617	2,232,037	111	812,317	629,839
Idaho	43	83,363	26	118,047	96,686
Illinois	1,339	8,751,896	538	6,065,832	5,324,203
Indiana	3,505	13,176,738	335	2,740,315	2,327,760
Iowa	980	8,474,239	1,194	14,146,274	11,486,232
Kansas	755	2,873,150	320	1,811,455	1,670,052
Kentucky	519	1,556,571	29	185,599	130,831
Louisiana	20	198,761	10	159,174	136,074
Maine					
Maryland	99	442,249	13	62,880	44,345
Massachusetts					
Michigan	358	1,096,912	108	669,395	578,165
Minnesota	24	130,335	107	876,745	701,682
Mississippi	96	929,028	16	197,159	182,897
Missouri	542	1,938,467	236	1,256,774	1,042,615
Montana	59	276,825	57	311,788	127,120
Nebraska	338	1,951,356	699	6,519,792	5,713,119
Nevada	4	68,477	6	114,005	107,911
New Hampshire					
New Jersey	147	475,025	17	156,130	105,433
New Mexico					
New York	996	2,900,384	360	2,198,651	1,816,329
North Carolina	3,802	7,924,248	347	1,642,128	1,254,635
North Dakota			[2] 148	[2] 843,976	[2] 765,255
Ohio	2,014	5,777,746	210	1,240,130	1,024,222
Oklahoma	328	1,049,443	179	1,197,772	781,666
Oregon	155	1,499,692	62	675,200	581,634
Pennsylvania	1,006	2,549,823	132	437,796	362,589
Rhode Island					
South Carolina	443	1,236,309	116	811,240	497,199
South Dakota	69	444,071	137	1,307,081	1,265,490
Tennessee	125	266,410	9	38,708	33,074
Texas	4,587	22,022,679	1,060	8,617,595	6,804,779
Utah	4	9,111	11	55,632	35,048
Vermont					
Virginia	698	1,755,744	70	274,023	204,886
Washington	31	303,953	6	57,596	42,516
West Virginia	639	914,538	28	75,065	61,442
Wisconsin					
Wyoming	245	1,249,445	30	216,826	171,192
Total	25,671	99,435,656	7,098	58,413,952	48,026,855

[1] Excludes banks in receivership.

[2] Includes 1 property situated in the Province of Manitoba, Canada, in which the investment is $2,000 and carrying value $500.

JOINT STOCK LAND BANKS

TABLE 83.—*Real estate, sheriffs' certificates, and judgments acquired and disposed of during 1937, by banks*

Name and location of bank	Total acquirements of real estate and sheriffs' certificates		Total disposals of real estate and sheriffs' certificates				
			Number		Investment	Consideration as percent of—	
	Number	Investment	Whole	Part		Investment	Carrying value
Atlanta, Atlanta, Ga	8	$33,809	25	13	$163,941	97.7	102.0
Atlantic, Raleigh, N. C	30	80,673	47	22	104,635	107.8	116.9
California, San Francisco, Calif	101	1,276,842	99	1	1,256,934	96.9	96.9
Dallas, Dallas, Tex	47	318,831	169	24	1,319,976	103.5	119.5
Denver, Denver, Colo	96	622,264	145	27	1,060,534	81.3	113.8
Des Moines, Des Moines, Iowa	28	201,804	57	4	615,430	81.7	95.0
First Carolinas, Columbia, S. C	13	72,919	71	64	464,867	67.4	111.3
First, Fort Wayne, Ind	21	95,852	66	6	387,552	122.9	149.8
First, Montgomery, Ala	8	44,772	58	22	390,555	73.7	99.3
First, New Orleans, La	4	95,398	10	19	203,367	99.1	115.0
First Texas, Houston, Tex	8	37,829	20	4	120,778	106.2	118.8
First Trust, Chicago, Ill	167	1,774,181	249	19	2,445,857	97.0	108.1
Fletcher, Indianapolis, Ind	34	232,479	30	3	225,953	92.1	109.5
Fremont, Lincoln, Nebr	16	107,146	31	1	279,890	96.8	102.6
Greenbrier, Charleston, W. Va	5	4,661	4	-------	7,104	60.0	83.2
Greensboro, Raleigh, N. C	31	120,499	59	15	173,978	88.1	97.9
Illinois, Monticello, Ill	1	13,139	24	1	278,191	116.2	127.1
Illinois Midwest, Edwardsville, Ill	10	90,270	34	2	266,474	87.7	111.7
Indianapolis, Indianapolis, Ind	-------	-----------	1	1	5,309	131.9	131.9
Iowa, Sioux City, Iowa	11	111,689	31	2	293,421	101.3	104.1
Kentucky, Lexington, Ky	5	16,765	54	5	293,089	105.5	142.8
La Fayette, La Fayette, Ind	26	237,813	44	5	352,322	111.5	123.6
Lincoln, Lincoln, Nebr	59	597,311	116	4	1,215,862	87.3	107.1
Louisville, Louisville, Ky	9	29,643	29	5	175,005	97.4	121.6
Maryland-Virginia, Baltimore, Md.[1]	1	6,600	8	1	51,755	92.7	101.0
Minneapolis-Trust, Minneapolis, Minn	4	47,356	12	2	56,502	71.2	79.2
New York, Rochester, N. Y	42	179,658	80	17	438,318	93.0	106.5
North Carolina, Durham, N. C	57	268,711	165	73	693,301	108.2	130.0
Pacific Coast, Portland, Oreg	21	258,814	37	7	371,239	100.4	106.9
Pacific Coast, Salt Lake City, Utah	13	102,565	30	1	204,903	100.7	105.8
Pacific Coast, San Francisco, Calif	13	97,529	78	6	865,639	94.6	100.6
Pennsylvania, Philadelphia, Pa	23	64,056	59	5	195,137	87.0	104.7
Phoenix, Kansas City, Mo	158	945,286	103	5	709,207	85.7	100.5
Potomac, Washington, D. C	15	52,629	34	9	180,583	89.9	125.9
San Antonio, San Antonio, Tex	32	212,304	57	16	393,869	107.0	133.1
Southwest, Little Rock, Ark	26	83,050	28	19	142,000	98.1	106.5
Union, Detroit, Mich	44	163,021	206	44	851,340	93.6	105.2
Union, Louisville, Ky	5	17,417	12	1	39,096	97.2	113.8
Union Trust, Indianapolis, Ind	-------	-----------	1	-------	4,781	133.9	133.9
Virginia - Carolina, Elizabeth City, N. C	22	47,514	75	5	235,515	82.0	104.8
Virginian, Charleston, W. Va	45	188,049	92	21	457,558	92.0	109.4
Total	1,259	8,951,148	2,550	501	18,051,767	94.7	110.1

[1] Includes figures through November 1937. Data for December 1937 not available.

JOINT STOCK LAND BANKS

TABLE 84.—*Bonds issued and retired during 1937, and outstanding Dec. 31, 1937, by banks* [1]

Name and location of bank	Bonds issued during 1937	Bonds retired during 1937	Bonds outstanding		
			Held by issuing bank	Held by investors	Total
Atlanta, Atlanta, Ga	$705,000	$1,628,500		$1,551,500	$1,551,500
Atlantic, Raleigh, N. C		1,642,500	$17,000	2,324,000	2,341,000
California, San Francisco, Calif		77,000		657,000	657,000
Dallas, Dallas, Tex	11,700,000	14,880,000		12,014,000	12,014,000
Denver, Denver, Colo		1,131,000		4,484,500	4,484,500
Des Moines, Des Moines, Iowa		3,000		33,000	33,000
First Carolinas, Columbia, S. C		543,000		2,688,000	2,688,000
First, Fort Wayne, Ind		698,800		585,200	585,200
First, Montgomery, Ala		505,500	227,000	2,755,500	2,982,500
First, New Orleans, La		238,000	9,000	1,697,000	1,706,000
First Texas, Houston, Tex		504,000		3,260,000	3,260,000
First Trust, Chicago, Ill		4,897,000		25,458,000	25,458,000
Fletcher, Indianapolis, Ind	600,000	1,617,400	455,300	8,671,700	9,127,000
Fremont, Lincoln, Nebr		447,000		1,936,000	1,936,000
Greenbrier, Charleston, W. Va		131,500		76,500	76,500
Greensboro, Raleigh, N. C		959,000		1,004,000	1,004,000
Illinois, Monticello, Ill		*1,178,000*		*120,000*	*120,000*
Illinois Midwest, Edwardsville, Ill		310,000		1,633,000	1,633,000
Indianapolis, Indianapolis, Ind		17,900		604,800	604,800
Iowa, Sioux City, Iowa		259,200	173,100	2,162,400	2,335,500
Kentucky, Lexington, Ky		435,000	2,030,000		2,030,000
La Fayette, La Fayette, Ind		631,000		3,636,000	3,636,000
Lincoln, Lincoln, Nebr		1,226,000	117,000	8,082,500	8,199,500
Louisville, Louisville, Ky		916,100		5,500	5,500
Maryland-Virginia, Baltimore, Md		34,000			
Minneapolis-Trust, Minneapolis, Minn.[2]		68,684		677,216	677,216
New York, Rochester, N. Y		497,000		5,228,000	5,228,000
North Carolina, Durham, N. C		683,500		5,643,000	5,643,000
Pacific Coast, Portland, Oreg		1,062,000	364,000	1,928,000	2,292,000
Pacific Coast, Salt Lake City, Utah				83,000	83,000
Pacific Coast, San Francisco, Calif		247,000		242,000	242,000
Pennsylvania, Philadelphia, Pa	1,931,000	2,762,000		2,230,000	2,230,000
Phoenix, Kansas City, Mo.[3]		*7,125*		*12,070,982*	*12,070,982*
Potomac, Washington, D. C	450,000	1,270,000		1,527,500	1,527,500
San Antonio, San Antonio, Tex	5,827,000	7,008,000		5,551,000	5,551,000
Southwest, Little Rock, Ark		252,400	50,000	1,853,900	1,903,900
Union, Detroit, Mich		943,000	174,000	5,670,000	5,844,000
Union, Louisville, Ky		291,500			
Union Trust, Indianapolis, Ind		6,000		106,500	106,500
Virginia-Carolina, Elizabeth City, N. C	352,000	820,000		1,696,500	1,696,500
Virginian, Charleston, W. Va	2,691,000	4,362,300		3,224,000	3,224,000
Total	24,256,000	55,190,909	3,616,400	133,171,698	136,788,098

[1] Excludes banks in receivership.
[2] Includes certificates of participation.
[3] Includes fractional certificates issued in exchange for farm loan bonds.

JOINT STOCK LAND BANKS

TABLE 85.—*Condensed statements of condition, Dec. 31, 1937, by banks*

ASSETS

Name and location of bank	Mortgage loans (net)	Purchase money mortgages, contracts, etc. (net)	Delinquent installments (net)	Cash and securities	Real estate, sheriffs' certificates, and judgments (net)	*Other (net)*	*Total assets*
Atlanta, Atlanta, Ga	$1, 454, 933	$676, 167	$19, 503	$114, 887	$420, 017	$33, 770	$2, 719, 277
Atlantic, Raleigh, N. C	2, 510, 645	1, 010, 206	2, 835	75, 476	96, 463	58, 586	3, 754, 301
California, San Francisco, Calif		96, 358		717, 132	48, 239	200, 385	1, 062, 114
Dallas, Dallas, Tex	11, 725 134	2, 532, 503	104, 850	639, 586	2, 704, 108	351, 500	18, 057, 681
Denver, Denver, Colo	3, 453, 155	1, 301, 397		333, 021	1, 264, 954	78, 539	6, 431, 066
Des Moines, Des Moines, Iowa	316, 169	340, 623	5, 147	22, 056	1, 802, 499	10, 478	2, 505, 972
First Carolinas, Columbia, S. C	1, 283, 648	1, 087, 823	7, 097	290, 647	512, 143	64, 094	3, 220, 352
First, Fort Wayne, Ind	757, 826	615, 767	3, 171	150, 171	446, 390	16, 188	1, 098, 513
First, Montgomery, Ala	2, 099, 147	738, 076	11, 449	26, 960	334, 000	39, 388	3, 249, 920
First, New Orleans, La	1, 126, 004	487, 098	6, 969	160, 315	318, 221	44, 680	2, 143, 287
First Texas, Houston, Tex	2, 166, 501	324, 356	81, 454	194, 870	1, 094, 861	31, 465	3, 893, 516
First Trust, Chicago, Ill	16, 100, 739	1, 756, 297	6, 542	530, 838	12, 772, 278	248, 342	31, 415, 036
Fletcher, Indianapolis, Ind	9, 026, 292	270, 915	6, 674	387, 202	868, 379	306, 407	10, 865, 929
Fremont, Lincoln, Nebr	507, 679	306, 335	10, 463	14, 611	2, 126, 283	13, 072	2, 078, 443
Greenbrier, *Charleston*, W. Va	230, 391	24, 023	640	4, 352	15, 899	4, 213	279, 518
Greensboro, Raleigh, N. C	889, 781	490, 105	3, 101	178, 234	136, 504	22, 486	1, 720, 211
Illinois, Monticello, Ill	612, 597	135, 965		44, 567	435, 802	11, 244	1, 240, 175
Illinois Midwest, Edwardsville, *Ill*	1, 019, 034	198, 227	1, 812	8, 815	1, 109, 204	22, 134	2, 359, 226
Indianapolis, Indianapolis, Ind	442, 182	19, 798	875	409, 150	9, 409	29, 522	910, 936
Iowa, Sioux City, Iowa	817, 971	321, 271	17, 362	90, 556	1, 673, 487	13, 316	2, 933, 963
Kentucky, Lexington, Ky	2, 559, 724	260, 373	1, 899	25, 358	264, 883	48, 526	3, 160, 763
La Fayette, La Fayette, Ind	2, 646, 237	446, 342	45, 340	9, 946	956, 291	51, 199	4, 155, 355
Lincoln, Lincoln, Nebr	3, 354, 905	1, 101, 959	41, 476	211, 164	5, 856, 333	87, 776	10, 653, 613
Louisville, Louisville, Ky	509, 475	750, 435	570	24, 675	212, 371	11, 042	1, 508, 568
Maryland-Virginia, Baltimore, Md				3, 280			3, 280
Minneapolis-*Trust*, *Minneapolis*, Minn	56, 208	83, 917		78, 465	945, 766	9, 503	1, 173, 859
New York, Rochester, N. Y	3, 087, 639	1, 063, 955	14, 038	382, 048	1, 858, 201	28, 506	6, 434, 387
North Carolina, Durham, N. C	3, 280, 895	1, 947, 329	4, 627	857, 390	1, 024, 560	93, 565	7, 208, 366

JOINT STOCK LAND BANKS

TABLE 85.—*Condensed statements of condition, Dec. 31, 1937, by banks*—Continued

ASSETS—Continued

Name and location of bank	Mortgage loans (net)	Purchase money mortgages, contracts, etc. (net)	Delinquent installments (net)	Cash and securities	Real estate, sheriffs' certificates, and judgments (net)	Other (net)	Total assets
Pacific Coast, Portland, Oreg	$1,794,646	$426,021	$153,127	$144,423	$575,911	$60,646	$3,154,774
Pacific Coast, Salt Lake City, Utah	92,473	432,958		185,420	131,735	9,767	852,353
Pacific Coast, San Francisco, Calif	540,931	1,072,781		419,765	1,927,202	90,650	4,051,329
Pennsylvania, Philadelphia, Pa	2,078,303	308,978	36,741	214,245	211,490	60,808	2,940,565
Phoenix, Kansas City, Mo	5,232,549	186,711		8,149,502	2,439,969	154,396	16,163,127
Potomac, Washington, D. C	1,510,345	386,258	2,057	173,967	104,011	31,638	2,208,308
San Antonio, San Antonio, Tex	5,208,425	526,925		767,090	2,055,002	211,581	8,769,023
Southwest, Little Rock, Ark	1,421,673	217,550	7,741	54,677	733,950	28,309	2,463,900
Union, Detroit, Mich	4,285,409	1,419,505	14,176	97,211	1,117,360	67,325	7,001,066
Union, Louisville, Ky	253,203	191,300	369	9,076	20,113	6,467	480,528
Union Trust, Indianapolis, Ind	312,118	11,845		199,196	4,062	7,993	535,214
Virginia-Carolina, Elizabeth City, N. C	1,652,969	664,577	17,115	106,360	105,211	51,479	2,597,717
Virginian, Charleston, W. Va	2,877,461	909,581	37,272	560,577	484,862	130,709	5,090,462
Total	99,275,416	25,241,830	666,492	17,076,296	49,249,323	2,842,654	194,352,011

LIABILITIES

Name and location of bank	Farm loan bonds	Notes payable	Miscellaneous liabilities	Capital stock	Surplus, reserves, and undivided profits	Total liabilities
Atlanta, Atlanta, Ga	$1,551,500	$455,778	$56,039	$350,000	$305,960	$2,719,277
Atlantic, Raleigh, N. C	2,324,000		733,880	907,500	−211,079	3,754,301
California, San Francisco, Calif	657,000		18,948	[1] 386,166		1,062,114
Dallas, Dallas, Tex	12,014,000	408,104	389,408	2,421,200	2,824,969	18,057,681
Denver, Denver, Colo	4,484,500		269,931	1,184,800	491,835	6,431,066
Des Moines, Des Moines, Iowa	33,000	905,847	41,301	1,150,000	375,824	2,505,972
First Carolinas, Columbia, S. C	2,688,000		123,714	785,000	−370,362	3,226,352

First, Fort Wayne, Ind.	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]
First, Montgomery, Ala.	2, 755, 500	26, 000	100, 354	550, 000	−181, 934	3, 249, 920
First, New Orleans, La.	1, 697, 000		73, 430	250, 000	122, 857	2, 143, 287
First Texas, Houston, Tex.	3, 260, 000	50, 636	104, 352	550, 000	−71, 472	3, 893, 516
First Trust, Chicago, Ill.	25, 458, 000		756, 474	4, 600, 000	600, 562	31, 415, 036
Fletcher, Indianapolis, Ind.	8, 671, 700	215, 000	109, 715	750, 000	1, 119, 514	10, 865, 929
Fremont, Lincoln, Nebr.	1, 936, 000	279, 234	63, 076	850, 000	−149, 867	2, 978, 443
Greenbrier, Charleston, W. Va.	76, 500		1, 860	250, 000	−48, 842	279, 518
Greensboro, Raleigh, N. C.	1, 004, 000		137, 365	250, 000	328, 846	1, 720, 211
Illinois, Monticello, Ill.	120, 000	330, 000	45, 210	450, 000	294, 965	1, 240, 175
Illinois Midwest, Edwardsville, Ill.	1, 633, 000	368, 040	56, 550	350, 000	−48, 364	2, 359, 226
Indianapolis, Indianapolis, Ind.	604, 800		17, 192	250, 000	38, 944	910, 936
Iowa, Sioux City, Iowa	2, 162, 400		75, 193	500, 000	196, 370	2, 933, 963
Kentucky, Lexington, Ky.		900, 000	30, 536	650, 000	1, 580, 227	3, 160, 763
La Fayette, La Fayette, Ind.	3, 636, 000		101, 811	300, 000	117, 544	4, 155, 355
Lincoln, Lincoln, Nebr.	8, 082, 500	82, 700	268, 214	2, 711, 400	−491, 201	10, 653, 613
Louisville, Louisville, Ky.	5, 500	908, 420	92, 538	500, 000	2, 110	1, 508, 568
Maryland-Virginia, Baltimore, Md.			1, 405	[2] 1, 875		3, 280
Minneapolis-Trust, Minneapolis, Minn.	[3] 677, 216		208, 272	450, 000	−161, 629	1, 173, 859
New York, Rochester, N. Y.	5, 228, 000		157, 637	800, 000	248, 750	6, 434, 387
North Carolina, Durham, N. C.	5, 643, 000		280, 832	700, 000	584, 534	7, 208, 366
Pacific Coast, Portland, Oreg.	1, 928, 000		110, 171	450, 000	666, 603	3, 154, 774
Pacific Coast, Salt Lake City, Utah	83, 000		46, 978	300, 000	422, 375	852, 353
Pacific Coast, San Francisco, Calif.	242, 000	394	343, 564	1, 400, 000	2, 065, 371	4, 051, 329
Pennsylvania, Philadelphia, Pa.	2, 230, 000	244, 396	54, 901	418, 500	−7, 232	2, 940, 565
Phoenix, Kansas City, Mo.	12, 070, 982		119, 218	1, 650, 000	2, 322, 927	16, 163, 127
Potomac, Washington, D. C.	1, 527, 500		50, 030	400, 000	230, 776	2, 208, 306
San Antonio, San Antonio, Tex.	5, 551, 000	508, 403	182, 478	1, 226, 500	1, 300, 642	8, 769, 023
Southwest, Little Rock, Ark.	1, 853, 900	239, 231	74, 869	285, 000	10, 900	2, 463, 900
Union, Detroit, Mich.	5, 670, 000	132, 000	255, 178	1, 370, 000	−426, 092	7, 001, 086
Union, Louisville, Ky.		286, 746	18, 817	250, 000	−75, 035	480, 528
Union Trust, Indianapolis, Ind.	106, 500		5, 612	250, 000	173, 102	535, 214
Virginia-Carolina, Elizabeth City, N. C.	1, 696, 500	156, 492	80, 168	400, 000	264, 557	2, 597, 717
Virginian, Charleston, W. Va.	3, 224, 000	665, 642	127, 454	1, 150, 000	−76, 634	5, 090, 462
Total	133, 171, 698	7, 163, 063	5, 919, 413	32, 847, 941	15, 249, 896	194, 352, 011

[1] Represents net amount of capital and net worth accounts after deducting $1,923,600 liquidating dividends.
[2] Represents net amount of capital and net worth accounts after deducting $243,000 liquidating dividends.
[3] Includes $667,216 certificates of participation.

JOINT STOCK LAND BANKS IN RECEIVERSHIP

TABLE 86.—*Condition of loans outstanding, Dec. 31, 1937* [1]

Name and location of bank	In default		Not in default		Total	
	Number	Book amount	Number	Book amount	Number	Book amount
Burlington, Chicago, Ill	4	$21,330	16	$46,548	20	$67,878
Chicago, Chicago, Ill	13	107,376	44	259,491	57	366,867
Oregon-Washington, Portland, Oreg	62	513,742	55	295,347	117	809,089
St. Louis, St. Louis, Mo	72	229,415	835	2,131,869	907	2,361,284
Southern Minnesota, Minneapolis, Minn	28	112,238	98	362,489	126	474,727
Total	179	984,101	1,048	3,095,744	1,227	4,079,845

[1] Excludes loans in process of foreclosure.

TABLE 87.—*Loans, purchase money mortgages, and other specified assets held, Dec. 31, 1937 by banks and by States*

Bank and State	Loans outstanding		Purchase money mortgages, real estate sales contracts, etc.		Real estate owned outright		Sheriffs' certificates and judgments	
	Number	Book amount	Number	Book amount	Number	Book amount	Number	Book amount
Burlington:								
Illinois	14	$89,040	7	$37,450	10	$68,887		
Iowa	11	53,397	19	98,394	33	201,477	3	$23,363
Total	26	142,437	26	135,844	43	270,364	3	23,363
Chicago:								
Illinois	38	204,508	56	337,346	51	576,035	12	75,205
Iowa	57	458,206	95	461,596	262	2,664,923	46	507,595
South Dakota					1	1,600		
Total	95	752,714	151	798,942	314	3,242,558	58	582,800
Oregon-Washington:								
Oregon	83	601,751	61	392,793	48	359,806	4	18,773
Washington	41	267,345	19	117,859	9	41,217	1	9,615
Total	124	869,096	80	510,652	57	401,023	5	28,388
St. Louis:								
Arkansas	219	997,059	227	659,846	19	144,813	2	48,552
Illinois	459	761,250	247	332,893	51	152,106	36	109,431
Indiana	57	104,273	53	69,720	3	9,857	2	4,628
Missouri	203	613,667	258	479,307	46	353,843	1	4,472
Total	938	2,476,249	785	1,541,766	119	660,619	41	167,083
Southern Minnesota:								
California					1	230		
Iowa			2	6,700	1	1,799		
Minnesota	106	381,862	264	1,066,632	483	3,764,886	2	4,809
North Dakota					1	1		
South Dakota	23	105,202	32	88,823	663	4,852,122	1	2,931
Total	129	487,064	298	1,162,155	1,149	8,619,038	3	7,740
Grand total	1,311	4,727,560	1,340	4,149,359	1,682	13,193,602	110	809,374

JOINT STOCK LAND BANKS IN RECEIVERSHIP

TABLE 88.—*Statements of condition of banks in receivership, Dec 31, 1937*

	Burlington		Chicago		Oregon-Washington		St. Louis		Southern Minnesota	
ASSETS										
Gross mortgage loans	$167,500.00		$947,850.00		$1,084,500.00		$3,257,500.00		$666,300.00	
Less repayments on principal	25,063.35		195,135.57		215,403.78		781,251.39		179,235.42	
		$142,436.65		$752,714.43		$869,096.22		$2,476,248.61		$487,064.58
United States Government securities—par value (held by Federal Reserve banks subject to the order of the Governor of the Farm Credit Administration)						155,000.00				200,000.00
Cash on hand and in banks		4,155.06		105,236.83		19,094.60		56,491.23		46,491.02
Cash on deposit with the Treasurer of the United States		75,187.29		638,659.81		301,919.99		2,977,845.50		172,172.44
Cash in United States Treasury—dividend account				130,664.88				48,126.67		77,508.90
Accounts receivable:										
Tax advances [1]			619.64		9,595.07		2,739.51		830.37	
Insurance advances [1]			17.77		598.62		356.00		120.55	
Other advances [1]	37.75		48.40		1,455.65		118.11		151.33	
		37.75		685.81		11,649.34		3,213.92		1,102.25

[1] Tax, insurance, and other advances include only amounts paid on farms covered by mortgage loans not in process of foreclosure, purchase money mortgages, and real estate sales contracts. Such advances, made during the receivership in connection with any loan that is subsequently transferred to foreclosure, are charged to expense when such transfer is made. Advances made prior to the date of receivership in connection with loans now in foreclosure are included with "Other assets." Advances made prior to the date of receivership in connection with loans which have since become real estate or sheriffs' certificates, judgments, etc., are included in the book amounts of these items. All other advances on loans in foreclosure and on real estate owned are charged to expense.

JOINT STOCK LAND BANKS IN RECEIVERSHIP

TABLE 88.—*Statements of condition of banks in receivership, Dec. 31, 1937*—Continued

	Burlington		Chicago		Oregon-Washington		St. Louis		Southern Minnesota	
ASSETS—Continued										
Purchase money mortgages and contracts:										
Purchase money first mortgages	$52,640.00		[2] $392,299.58		$77,986.11		[3] $1,315,309.31		$72,211.30	
Purchase money second mortgages	1,200.00		[2] 7,600.00				[3] 89,194.33		923.12	
Real estate sales contracts	81,950.00		392,541.66		432,665.45		107,262.07		1,083,901.34	
Real estate notes receivable	54.00		6,501.00						5,119.55	
		$135,844.00		$798,942.24		$510,651.56		$1,541,765.74		$1,162,155.31
Real estate owned outright		270,363.71		3,212,558.20		401,023.30		660,619.41		8,619,037.50
Sheriffs' certificates, judgments, etc.		23,362.86		582,790.80		28,398.05		167,083.25		7,740.13
Furniture, fixtures, equipment, etc.		11.30		10,092.66		1,868.77		1,398.64		14,731.41
Other assets		536.02		7,196.21		2,541.52		6,959.08		1,144.00
Total assets [4]		651,934.64		6,269,550.87		2,301,233.35		7,910,052.05		11,089,147.54
LIABILITIES										
Farm loan bonds:										
4¼ percent	$32,600.00									
4½ percent	236,300.00		$13,195,000.00				$2,363,500.00			
4¾ percent			9,938,000.00							
5 percent	398,500.00		15,803,100.00		$2,038,500.00		15,771,000.00		$18,845,700.00	
5½ percent			3,788,000.00						2,193,000.00	
Total	667,400.00		42,724,100.00		2,038,500.00		18,134,500.00		21,038,700.00	
Less liquidation dividend			[5] 30,974,972.50				[6] 7,253,800.00		[7] 7,573,932.00	
		$667,400.00		$11,749,127.50		$2,038,500.00		$10,880,700.00		$13,464,768.00

	Bank 1 A	Bank 1 B	Bank 2 A	Bank 2 B	Bank 3 A	Bank 3 B	Bank 4 A	Bank 4 B	Bank 5 A	Bank 5 B
Interest on farm loan bonds:										
Unpaid interest maturing prior to date of receivership	3,036.85		134,955.00		150.00		18,102.50		552,687.50	
Unmatured interest accrued to date of receivership	6,620.52		747,672.91		42,787.50		262,103.55		----------	
Total	10,257.37		882,627.91		42,937.50		280,206.05		552,387.50	
Less liquidation dividend	----------	10,257.37	[5] 639,905.24	242,722.67	----------	42,937.50	[6] 112,082.42	168,123.63	[7] 198,931.50	353,656.00
Dividends payable	----------	----------	----------	130,664.88	----------	----------	----------	48,426.67	----------	77,508.90
Trust accounts:										
Unpaid interest maturing prior to date of receivership	----------		37,160.00		----------		----------		----------	
Other trust accounts	3,651.10	3,651.10	48,425.82	85,585.82	4,283.80	4,283.80	50,406.87	50,406.87	35,913.79	35,913.79
Other liabilities	----------	91.80	----------	3,120.85	----------	275.17	----------	1,304.77	----------	148,669.06
Total liabilities [4]	----------	681,400.27	----------	12,211,221.72	----------	2,085,996.47	----------	11,148,961.94	----------	14,090,615.75

[2] Purchase money first and second mortgages totaling $399,899.58 includes $32,122.86 which is in process of foreclosure.

[3] Purchase money first and second mortgages totaling $1,434,503.67 includes $22,129.25 which is in process of foreclosure.

[4] The figures for assets shown in the foregoing statement represent book amounts only and do not reflect the receiver's valuation on such assets. The foregoing statements do not include interest accrued on assets of the bank, and do not include interest accrued on the outstanding bond liability of the banks since date of receivership which latter interest on Dec. 31, 1937 amounted to $33,541.21 for the Burlington Joint Stock Land Bank, $6,889,543.37 for the Chicago Joint Stock Land Bank, $169,875 for the Oregon-Washington Joint Stock Land Bank, $4,996,566.87 for the St. Louis Joint Stock Land Bank, and $5,130,972.60 for the Southern Minnesota Joint Stock Land Bank. Capital accounts are also omitted. Taxes accrued and not paid on real estate, sheriffs' certificates, and loans in process of foreclosure are not included as liabilities of the bank.

[5] 30 percent dividend declared payable as of Sept. 29, 1934; 10 percent as of Feb. 9, 1935; 10 percent as of June 17, 1935; 10 percent as of Sept. 11, 1935, 5 percent as of Feb. 21, 1936; 5 percent as of July 30, 1936; and 2½ percent as of Apr. 2, 1937.

[6] 20 percent dividend declared payable as of May 15, 1935; 10 percent as of Jan. 25, 1936; and 10 percent as of Nov. 28, 1936.

[7] 20 percent dividend declared payable as of Jan. 31, 1935; 10 percent as of Sept. 30, 1935, and 6 percent as of June 24, 1937.

FEDERAL CREDIT UNIONS

TABLE 89.—*Number of Federal credit unions chartered, by States and by periods*

State	Oct. 1, through Dec. 31, 1934	1935	1936	1937	Total
Alabama			6	5	11
Arizona	1	3	2	8	14
Arkansas	1	2	8	3	14
California	1	46	85	41	173
Colorado		1	8	11	20
Connecticut	18	33	47	21	119
Delaware		1	4	5	10
District of Columbia		45	18	13	76
Florida	1	47	30	10	88
Georgia		12	9	10	31
Hawaii			19	41	60
Idaho		9	8	5	22
Illinois		13	16	29	58
Indiana		33	39	26	98
Iowa		1	2	1	4
Kansas	1	2	6	5	14
Kentucky		2	2		4
Louisiana	7	18	16	14	55
Maine	1	9	8	3	21
Maryland		3	9	8	20
Massachusetts	2	27	19	10	58
Michigan		6	36	12	54
Minnesota		2	3	5	10
Mississippi	1	6	2	4	13
Missouri	1	5	6	7	19
Montana		4	6	3	13
Nebraska	6	5	7	3	21
Nevada			3		3
New Hampshire			1	2	3
New Jersey	2	27	51	37	117
New Mexico		2	6	3	11
New York	6	104	111	73	294
North Carolina		4	21	3	28
North Dakota	4	10	12	6	32
Ohio		39	63	33	135
Oklahoma		6	9	8	23
Oregon		6	12	11	29
Pennsylvania	7	142	89	58	296
Rhode Island	1	2	7	3	13
South Carolina	1	6	9	8	24
South Dakota	4	9	1		14
Tennessee		15	21	18	54
Texas	2	62	59	44	167
Utah		15	5	2	22
Vermont	1		3		4
Virginia	9	15	17	11	52
Washington		1	21	11	33
West Virginia		20	7	2	29
Wisconsin			1		1
Wyoming		8	6	2	16
Total	78	828	956	638	2,500

FEDERAL CREDIT UNIONS

TABLE 90.—*Number of Federal credit unions chartered, number of members, share balance, total loans made, and loans outstanding, Sept. 30, 1937, by States*

State	Number chartered	Federal credit unions reporting				
		Number	Number of members	Share balance	Total loans made	Loans outstanding
Alabama	10	5	1,036	$23,867	$64,981	$23,122
Arizona	10	9	1,060	28,603	76,660	31,243
Arkansas	14	12	998	19,907	51,378	15,836
California	163	140	32,429	1,276,397	3,083,707	1,200,223
Colorado	17	14	1,566	41,885	69,835	38,866
Connecticut	116	102	24,050	797,066	2,184,907	722,501
Delaware	10	10	1,185	12,965	21,682	12,146
District of Columbia	74	64	21,536	953,016	2,965,250	882,776
Florida	88	79	11,829	459,349	1,560,020	435,150
Georgia	27	23	6,678	233,840	745,330	219,711
Hawaii	56	53	9,885	320,609	492,645	298,196
Idaho	21	19	1,365	38,571	102,043	35,566
Illinois	45	40	8,758	321,608	737,605	282,840
Indiana	93	80	18,064	581,934	1,649,039	526,917
Iowa	3	3	387	9,875	24,070	9,832
Kansas	13	12	1,330	36,057	130,791	29,765
Kentucky	4	3	364	8,169	25,115	8,186
Louisiana	53	43	10,718	444,959	1,432,989	412,856
Maine	21	20	2,460	68,396	170,109	52,328
Maryland	16	14	2,315	51,422	136,194	38,797
Massachusetts	57	47	7,825	243,832	710,756	220,227
Michigan	53	46	9,018	365,896	824,521	318,510
Minnesota	10	10	1,136	25,386	75,259	23,272
Mississippi	10	9	1,339	38,055	142,826	35,768
Missouri	19	16	3,410	103,258	278,707	87,633
Montana	13	12	791	21,142	37,575	15,504
Nebraska	19	18	3,686	155,391	431,777	133,271
Nevada	3	3	156	2,762	5,501	1,945
New Hampshire	2	2	474	6,386	12,492	6,289
New Jersey	111	96	26,576	1,023,601	2,495,647	953,092
New Mexico	10	8	974	23,316	68,729	20,180
New York	280	230	46,382	1,892,642	4,925,807	1,602,966
North Carolina	28	18	2,260	55,623	141,521	44,592
North Dakota	82	26	2,065	67,666	286,461	62,727
Ohio	128	102	24,746	719,371	1,821,940	670,233
Oklahoma	20	19	1,984	71,513	207,730	63,975
Oregon	27	25	2,860	77,840	187,803	73,913
Pennsylvania	272	224	72,725	2,512,945	6,552,579	2,079,076
Rhode Island	12	11	1,791	47,683	101,673	37,402
South Carolina	24	19	2,753	63,538	251,721	52,992
South Dakota	14	14	2,022	77,635	294,182	72,276
Tennessee	51	44	6,917	148,566	438,950	124,109
Texas	157	133	26,864	1,190,124	3,385,661	1,034,107
Utah	22	19	2,895	65,695	188,951	56,174
Vermont	4	3	175	2,846	8,835	2,377
Virginia	49	33	5,110	133,672	525,565	120,897
Washington	32	27	3,857	100,084	202,501	95,472
West Virginia	27	22	2,994	79,262	244,451	71,853
Wisconsin	1	1	18	100	120	22
Wyoming	15	13	1,010	28,100	80,523	24,913
Total	**2,356**	**1,995**	**422,826**	**15,062,724**	**40,655,209**	**13,372,126**

FEDERAL CREDIT UNIONS

TABLE 91.—*Number of Federal credit unions chartered, number of members, share balance, total loans made, and loans outstanding, Sept. 30, 1937, by type of membership*

Type of membership	Number chartered	Federal credit unions reporting				
		Number	Number of members	Share balance	Total loans made	Loans outstanding
Cooperatives	58	50	4,359	$114,150	$241,518	$95,496
Fraternal and professional	81	62	7,177	499,298	1,100,056	348,297
Religious	48	41	3,456	83,080	212,302	68,128
Labor unions	14	10	946	20,251	49,762	20,153
Amusements	7	6	2,078	136,606	397,186	111,941
Automotive products	31	23	4,653	119,320	320,896	106,411
Banking and insurance	37	34	5,911	167,647	477,049	152,236
Beverages	7	7	1,132	28,721	90,187	26,118
Chemicals and explosives	34	31	10,680	311,102	831,955	252,418
Lumber	18	16	1,773	19,345	38,514	16,309
Construction and materials (other)	26	22	4,662	107,282	301,724	82,648
Colleges	15	13	1,183	31,150	93,329	28,299
Schools	157	138	14,625	570,447	1,295,772	621,905
Electric products	76	64	23,976	960,994	2,071,012	805,530
Bakery, grocery, and produce	41	35	6,621	277,917	802,245	251,890
Dairy products	40	38	4,995	190,429	700,997	160,443
Meat packing	41	34	5,392	168,393	677,561	156,525
Food products (other)	20	19	3,918	127,203	283,033	102,632
Furniture	8	7	1,388	22,881	70,326	20,631
Glass	15	15	6,027	140,546	323,203	137,874
Federal employees	253	229	46,651	1,873,787	6,002,769	1,770,367
Local government employees	91	86	19,955	931,309	2,300,726	923,297
State employees	45	37	7,427	241,295	701,591	229,267
Hardware	18	16	4,279	131,564	342,632	113,941
Hotels and restaurants	32	20	2,801	61,190	211,910	50,231
Laundries and cleaners	21	15	1,230	35,124	114,201	24,987
Leather	16	12	1,916	46,070	167,159	35,052
Machine manufacturers	49	42	14,209	570,804	1,549,845	468,543
Aluminum	16	10	2,840	79,992	236,677	70,041
Iron and steel	84	70	28,170	1,090,850	2,241,897	849,295
Metals (other)	24	19	6,562	167,260	377,055	154,860
Paper	30	23	3,435	93,018	252,433	78,969
Petroleum	186	166	41,842	1,643,077	4,505,292	1,533,539
Newspapers	47	33	4,799	205,307	802,085	187,842
Printing and publishing (other than newspapers)	27	20	2,872	94,345	291,053	85,162
Heat, light, and power	74	71	15,786	586,918	1,682,998	552,791
Telegraph	15	14	2,108	60,401	190,334	50,693
Telephone	38	33	8,201	315,287	834,685	306,429
Rubber	12	10	2,598	60,147	162,066	56,622
Stores	160	139	38,486	1,214,700	3,420,006	1,027,312
Textiles	75	56	11,855	217,921	612,654	188,710
Tobacco products	1	1	434	8,076	26,121	6,465
Aviation	15	9	5,039	197,415	598,100	196,827
Bus and truck	18	14	1,942	53,895	150,251	41,250
Railroads	96	84	15,727	448,278	1,075,733	409,528
Transportation (other)	13	9	2,273	52,211	115,229	47,896
Miscellaneous occupational	52	41	8,444	245,182	734,567	204,694
Rural community	60	41	4,891	191,143	389,382	91,688
Urban community	14	10	1,102	49,396	187,141	44,043
Total	2,356	1,995	422,826	15,062,724	40,655,209	13,372,125

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